illegal drilling techniques in the field had been joked about for years.

Some of the stories being told in Kilgore do indeed have a humorous edge. One involves a well which suddenly began producing oil mixed with drilling mud while a well on an adjacent lease was ostensibly being worked over.

Another story is told of an operator completing a well, receiving commission approval for the straight hole and then drilling a crooked hole on the sly. Another story involves a drilling bit in an illegally slanted hole intercepting the producing shaft of a well drilled 330 feet inside its lease boundary; these wells were not even within seeing distance of each other.

Attorney General Wilson said last week one of the deviated wells already surveyed slanted 56 degrees. He said the well was bottomed at 3,500 feet below ground surface, but held 5,100 feet of pipe. The horizontal distance from the ground opening of this well and its bottom was 3,286 feet.

There is evidence the Railroad Commission suspected possible illegal drilling in the east Texas field as long as a year ago. A commission order dated May 10, 1961, states "all wells drilled in the east Texas field must be drilled with due precaution to maintain a straight hole." The order said further that "all operators of all wells hereafter drilled will conduct an inclination survey for each 500 feet of hole drilled beginning at a point within 500 feet of the surface."

Last December, the commission persuaded Payne, who served with the agency in Kilgore in 1932–35 when Rangers were first called to the field to enforce the commission's proration orders, to take over as district supervisor.

The investigation reached widespread public notice when the commission in April sent letters to operators ordering them to prepare their wells for inclination surveys. Response to the letters was generally regarded as poor. The commission held a hearing May 15 at which operators were given an opportunity to show why their wells should not be surveyed or their pipeline connections severed. The hearing room was packed with operators and their lawyers, but only one person testified.

When the commission went ahead with plans to test wells for deviation, field men found some of the wells plugged with cement. It was at that point that a big force of Rangers and other law enforcement personnel was called into Kilgore to assist the commission. In addition, the commission on June 1 issued an order prohibiting all plugging of wells in the field for 15 days.

Since that time, inclination tests have been speeded up with testing conducted on a 24-hour-a-day basis at the end of last week.

Meanwhile, the people of Kilgore, Henderson, Longview, Tyler and other East Texas cities have watched the investigation mount with growing interest. Some of those named in suits evolving from the investigation are civic, political and business leaders in East Texas.

Reaction in Kilgore to the investigation varies. One man said last week he resented the presence of 60 armed law enforcement officers in Kilgore. Another said he feared the impact on the area's economy of the investigation's findings. Another said he hoped it would not ruin the area's reputation. Another said he would not believe the men already named in suits, some of whom he said have been his friends for years, were guilty until they were found so in a court of law.

The sheer size of the investigation, the number of leases, wells and operators involved and the heretofore uncharted legal path of the issues all mean it will be months, perhaps years, before the controversy ends.

ANNIVERSARY OF RECLAMATION ACT

Mr. ANDERSON. Mr. President, next Sunday, June 17, will mark one of the most significant anniversaries in the social and economic development of our country. I refer to the 60th birthday, so to speak, of the signing of the basic Federal Reclamation Act on June 17, 1902, by President Theodore Roosevelt.

This legislative enactment by the 57th Congress has had a most profound effect upon America and indeed upon the world. It has had a key role, as I shall show, in the development of the American West, which is one of the major factors in our national strength and greatness.

Its part in social and political development has been as far reaching as its economic impact. For the Reclamation Act of 1902, with its acreage limitation and its encouragement of family-size, family-run farms, was a land reform act before there was any need in the United States of such reform—when there still was plenty of land for anyone who cared to go out and live and work on it. The act speaks with the spirit of the American frontier—the old frontier as well as the New Frontier. Both in letter and in spirit, it has fostered courage, hard work and thrift. It assures the man who has and uses these qualities the rewards thereof—full ownership of his land, the means of livelihood for himself and his family.

This is the goal of the land reforms President Kennedy has been fostering and encouraging in other countries of our New World hemisphere, and, as I pointed out, it was done in the American way before there was any need of land reform, as such, in the United States.

Physical and economic achievements under the reclamation law speak for themselves. This year, on its 60th anniversary, the Department of the Interior, which administers the reclamation law, can point proudly to the construction of dams and reservoirs providing dependable supplies for more than 8 million acres of fertile land producing a variety of high-demand crops valued at more than $1 billion annually; 42 powerplants with installed capacity of 5.2 million kilowatts—sufficient to serve the normal needs of about 7 million persons; municipal and industrial water supplies to 200 communities; and 25 million days per year of recreational use at reservoirs; plus flood control, river regulation, and other continuing services.

The Bureau of Reclamation, which was created as the Reclamation Service in the 1902 Act, has often been recognized for its technical achievements over the past six decades. Two of its undertakings, Hoover Dam, on the Colorado River between Nevada and Arizona, and the Columbia Basin project, which includes Grand Coulee Dam on the Columbia River in Washington State, were chosen by the American Society of Civil Engineers as two of the seven modern engineering wonders. More recently, recognition was extended to the Bureau's Glen Canyon Bridge, over the Colorado River near Glen Canyon Dam in Arizona, as the most beautiful steel-arch bridge of 1959, in competition sponsored by the American Institute of Steel Construction.

Among the Bureau's many major projects are the Central Valley project, California; Colorado-Big Thompson project, Colorado; Colorado River storage project, Arizona-New Mexico-Utah-Colorado-Wyoming; Columbia Basin project, Washington; and the 10-State Missouri River Basin project.

In addition, the Bureau's experience in reclamation is being made available on a worldwide basis through technical assistance programs of the U.S. Government.

Mr. President, in commemoration of its birthday, the Bureau of Reclamation has published a pamphlet entitled "Reclamation—60 Years of Service," outlining some of the history and concepts of its work, and I commend it to Members of the Senate. I think it is an extremely interesting and informative publication.

TRIBUTE TO WRUL AND METROMEDIA

Mr. LAUSCHE. Mr. President, it has come to my attention that a company having an influential radio voice in Cleveland, Ohio—namely, WHK—is also the owner of what the New York Herald Tribune calls "possibly the biggest audience of any radio station in the entire world." WRUL, or Worldwide Broadcasting, is a division of Metromedia, Inc.

For a number of years this powerful voice, with handsome new studios in New York City's World Broadcasting Center, and with transmitters in Scituate, Mass., was subsidized by the Federal Government up to $300,000 a year. Since its acquisition by Metromedia, WRUL has been entirely on its own—without that Government aid.

WRUL has been relying on itself and enterprising, internationally minded American companies. In other words, here is a prime example of free enterprise relieving Government of financial burden.

Many foreign governments are either wholly or partly owners of the country's broadcast facilities. This raises some doubts in the minds of world listeners about the impartiality of the reports heard. In other words, all Government radio facilities, even though they may or may not be operated on an impartial basis so far as news reporting is concerned, are suspect to a degree by listeners for the reason mentioned.

The FCC recognizing WRUL's value, has been most cooperative in providing it with the necessary operating frequencies. WRUL broadcasts to Latin America 76 hours weekly; to Europe 50 hours weekly; and Africa 50 hours weekly. They perform this operation with 5 transmitters and 280,000 watts on 11 different frequencies.

An average of 2,000 listeners' letters a week, from two-thirds of the world,

testify to range of influence of this radio station. In addition, this station has invested $100,000 in research to show both the size and quality of its audience.

WRUL carried live the developments of the recent 16th General Assembly of the United Nations, in Spanish and English. It carried the Eichmann trials to the world; and dramatized the space shots and the election returns. It provides the stock market reports to Latin and South American investors.

Many of these broadcasts are made possible by farsighted American corporations who accept the responsibility of not only selling their wares, but also selling their belief in the free enterprise system. I refer to companies such as RCA, Pepsi-Cola, Merrill Lynch, Time, Life, American Machine & Foundry, American Motors, and Owens Corning Glass. Recently, 11 west coast savings and loan associations bought time to induce foreign investors to deposit savings in this country.

WRUL has lost money for a number of years, but gradually the picture is brightening as more companies are seeing their responsibilities in selling the system, as well as their products and services. They recognize, as we all must, that this is a necessary function of those firms who enjoy the benefit of a free society.

In addition to calling these facts to the attention of Senators, Mr. President, I would also like to compliment and congratulate WRUL and Metromedia for its enterprise and stewardship. A recent recognition of their achievement was the receipt of the George Foster Peabody Award for Promotion of International Understanding. This was the second significant honor gathered by this radio station in recent months, the previous one having been the Honor Medal of the Freedom Foundation of Valley Forge.

In conclusion, I ask unanimous consent to have the Peabody Award citation printed herewith.

I hope that by calling this activity to your attention, WRUL and Metromedia will rededicate their effort along the lines to which they are so obviously dedicated. I also hope to point out to American business that this is the true spirit of the admonition given by President Kennedy in his inaugural address. This is a good example of "what you can do for your country."

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

Be it known that the George Foster Peabody Broadcasting Award is hereby presented to WRUL (Worldwide Broadcasting) for an outstanding contribution to international understanding, 1961.

With this citation WRUL (Worldwide Broadcasting), a division of Metromedia, Inc., carried into the homes of millions of peoples around the world through the medium of radio the complete daily proceedings of the General Assembly and Security Council of the United Nations in English and Spanish, thereby extending their participation in this international organization's global efforts to build world peace. This unique radio coverage was made possible by the enlightened world consciousness of AMF International of the American Machine & Foundry Co. and its chairman, Mr. Morehead Patterson.

Upon recommendation of the Henry W. Grady School of Journalism, University of Georgia, and the Peabody Advisory Board, by authority of the regents of the University System of Georgia.

———, *Chairman of Peabody Board.*
JOHN E. DREWRY, *Dean of School of Journalism.*

THE FLAG OF THE UNITED STATES OF AMERICA

Mr. DIRKSEN. Mr. President, 185 years ago today the then Congress met and prescribed the characteristics of a flag to have 13 alternate red and white stripes and 13 white stars on a field of blue. In consonance with the resolution, a committee was designated to call upon Betsy Ross to develop the kind of flag prescribed.

Interestingly enough, on that committee, among others, were George Washington and Robert Morris. They proceeded to Betsy Ross' house in Philadelphia. The house is still known as the Betsy Ross house, and it is located on Arch Street in that city.

In pursuance of the prescription by Congress, Betsy Ross provided the first flag.

Since that time I believe there have been 26 changes in the flag, to attest the growth and expansion of our country. Today that flag flies in all parts of the world as a symbol of unity, hope, loyalty, and freedom. If ever that unity is impaired, if ever that hope is destroyed, if that loyalty is ever sullied, or if that freedom is ever diluted, in my judgment it will not come by forces from without, but rather by forces from within. As we contemplate the fevers extant in the world, the economic threat from abroad, the struggle for power, pressures for advantage, and the strange indifference to the forces which menace our stability, our values and our capacity to live in a state of concord and understanding, truly we can say now, as Thomas Paine said in the Revolutionary War days:

These are times that try men's souls.

So then, as now, if reason prevails, and if patience marks our tempers, and if understanding colors our judgment, I am confident that in the pursuit of our course we will endure, and endure forever, as a free republic.

So today we salute the flag, a symbol of a great land.

The PRESIDING OFFICER. Is there any further morning business? If not, morning business is concluded.

AMENDMENT OF THE FEDERAL COMMUNICATIONS ACT OF 1934

Mr. PASTORE. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 8031) to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus.

There being no objection, the Senate resumed the consideration of the bill.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MRS. EVA LONDON RITT

Mr. DIRKSEN. Mr. President, I ask that the Chair lay before the Senate the message from the House of Representatives announcing its amendment to S. 2143.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2143) for the relief of Mrs. Eva London Ritt, which was, to strike out all after the enacting clause and insert:

That, for the purposes of title III of the Immigration and Nationality Act, section 352(a)(2) of the said Act shall be deemed to have been and to be inapplicable in the case of Mrs. Eva London Ritt, a naturalized citizen of the United States: *Provided*, That the said Mrs. Eva London Ritt establishes residence in the United States, as defined in section 101(a)(33) of the Immigration and Nationality Act, prior to the expiration of thirty-six months following the date of the enactment of this Act.

Mr. DIRKSEN. Mr. President, on March 29, 1962, the Senate passed S. 2143, to grant the beneficiary an exemption from loss of her United States citizenship under the Immigration and Nationality Act.

On June 5, 1962, the House of Representatives passed S. 2143, with an amendment to grant such exemption with the proviso that she resume her residence in the United States within 3 years after the date of the enactment of the act.

I move that the Senate concur in the House amendment to S. 2143.

The motion was agreed to.

MARIA LA BELLA

Mr. DIRKSEN. Mr. President, I ask that the Chair lay before the Senate the message from the House of Representatives announcing its amendment to S. 1881.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1881) for the relief of Maria La Bella, which was, to strike out all after the enacting clause and insert:

That the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Marie La Bella. From and

after the date of the enactment of this act, the said Maria La Bella shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

Mr. DIRKSEN. On February 20, 1962, the Senate passed S. 1881, to grant the status of permanent residence in the United States to the beneficiary.

On June 5, 1962, the House of Representatives passed S. 1881, with an amendment to provide only for cancellation of deportation proceedings.

I move that the Senate concur in the House amendment to S. 1881.

The motion was agreed to.

AMENDMENT OF THE FEDERAL COMMUNICATIONS ACT OF 1934

The Senate resumed the consideration of the bill (H.R. 8031) to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus.

Mr. PASTORE. Mr. President, the bill before the Senate is H.R. 8031, which is an act to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus.

The purpose of this legislation is to amend the Communications Act of 1934 so as to authorize the Federal Communications Commission to require that all television receivers shipped in interstate commerce or imported into the United States shall, at the time of manufacture, be capable of adequately receiving all television channels.

Essentially, the bill would amend the Communication Act in order to give the Federal Communications Commission certain regulatory authority to require that all television receivers shipped in interstate commerce or imported into the United States be equipped at the time of manufacture to receive all television channels. That is, the 70 UHF and 12 VHF channels.

One of the most valuable national resources which this country possesses is the radio spectrum. In carrying out its statutory mandate to provide the people of the United States with a truly nationwide and competitive broadcasting system, the FCC has allocated sufficient spectrum space to accommodate 2,225 television stations, which includes 1,544 UHF stations and 681 VHF stations. But, chiefly because of the nonavailability of television receivers which are capable of picking up UHF signals as well as VHF signals, the bulk of the UHF band is unused today, for at present there are only 103 UHF stations and 500 VHF stations in actual operation. This means that only 7 percent of the potential UHF assignments are in actual use, while the remaining 93 percent remains idle.

This legislation is designed to remedy this situation, for its basic purpose is to permit maximum efficient utilization of the broadcasting spectrum space, especially that portion of the spectrum assigned to UHF television. At the same time, this legislation will benefit the public interest in other substantial and important respects, for in addition to bringing new television service to underserved areas, it will promote the development and growth of educational television.

At present the FCC has reserved 279 television channels for educational purposes, of which only 62 are in use. Of the total reserved for educational purposes, 92 are VHF and 187 are UHF. Only through the establishment of additional educational television broadcasting facilities and the activation of noncommercial educational television broadcasting stations can the goal of creating an educational television system serving the needs of all the people in the United States be accomplished.

Recently the Congress enacted legislation—Public Law 87-477, 87th Congress, 2d session—that provides for grants-in-aid for the acquisition and installation of television transmission apparatus for certain educational television broadcasting stations.

During the consideration of this educational television legislation, it became evident, as a result of a nationwide study, that there was a maximum need for at least 97 VHF and 821 UHF channels which should be added to the presently reserved channels to meet the needs of education in the years ahead. This means, in short, that the minimum needs of education projected from a grassroots level from school to school throughout the country will require at least 1,197 television channels for over-the-air broadcasting, in addition to closed circuit systems which might be used.

Therefore, it becomes obvious that this legislation calling for the manufacture of all-channel television receivers ties in significantly with the recently passed educational television legislation. For even in areas where there is extensive commercial VHF service, the all-channel television receiver legislation would help create the type of circulation which will permit the development of the educational television broadcasting stations that use UHF channels.

This goal would be achieved by eliminating the basic problem which lies at the heart of the UHF-VHF dilemma—the relative scarcity of television receivers in the United States which are capable of receiving the signals of UHF stations. Of the approximately 55 million television receivers presently in the hands of the public, only 9 million—or about 16 percent—can receive UHF signals. This scarcity of all-channel receivers is further aggravated by the fact that the overwhelming bulk of television set production is limited to VHF sets only. Moreover, since 1953, the situation has become progressively worse. In that year, over 20 percent of television receivers were equipped at the time of manufacture to receive UHF; by 1961, that percentage had declined to 6 percent.

The practical effect of this scarcity of all-channel receivers is clear: It prevents effective competition between UHF and VHF stations which operate in the same market, thus relegating UHF to those areas where no VHF stations are in competition. Where the two types of stations operate together, advertisers show a marked preference for placing their programs on VHF outlets, as do also networks, who will affiliate with a VHF station wherever possible. Nor has the viewing public shown any substantial willingness to buy receivers capable of receiving UHF signals, except in those areas where no VHF programs are available.

At the present time the country is divided into 278 so-called television markets: 127 of these markets have only 1 television station, 70 are 2-station markets, 57 are 3-station markets, and 24 are markets with 4 or more stations. Consequently, under the television market term, almost three-fourths of the television markets have a choice of one or two local stations. The significance of these figures illustrates that our present system of competition in the television field is limited by the allocations structure to no more than three national networks. Moreover, even in terms of the present 3 networks, 1 of them is under a limited handicap because of the second figure—70 markets are limited to 2 stations—and this leads to a situation that makes it difficult for a third network to secure primary affiliates in those markets. In addition, the opportunity for local outlets which would be available for local programing and local self-expression is severely restricted in many of the markets because of the limited number of stations that are available and even in those areas where there are some available, the stations are network affiliates.

The committee has fully considered the various arguments which have been advanced against this legislation. It has been argued that it would be a dangerous precedent which might lead to congressional control of all types of manufactured products. It must be remembered that this involves a unique situation which would not in any way constitute a general precedent for such congressional regulation of manufactured products. Thus we are here concerned with an instrumentality of interstate commerce. Television receivers are an essential factor in the use of the spectrum, and, as such, are clearly within the ambit of congressional legislation.

While initially there will be an increased cost, it is expected that this will be substantially reduced once the benefits of mass production are fully realized. In any event, the relatively slight increase in cost will be a small price to pay for the unlocking of the 70 valuable UHF channels.

As originally proposed the language of the legislation would have granted the Commission blanket authority to prescribed "minimum performance standards" for all television receivers shipped in interstate and foreign commerce. This provision was widely criticized during the hearings held by your committee and before the House Interstate and Foreign Commerce Committee on the ground that it was too broad and that it would give the FCC authority to prescribe any and all performance charac-

teristics of television receivers. As an example, it was suggested that this broad authority would permit the Commission to adopt standards covering the manufacture of color television receivers. The Commission agreed that this authority was broader than was necessary. Consequently, the bill was amended to eliminate this broad approach.

The Federal Communications Commission in a letter dated May 11, 1962—appendix C in the committee report—expressed deep concern to your committee that the legislation as amended could be construed as being too limited and would make the Commission powerless to prohibit the shipment in interstate commerce of all-channel television sets having the barest capability of receiving signals which therefore could not permit satisfactory and usable reception of such signals in a great many instances.

According to the FCC it was not clear how far the Commission could proceed in promulgating rules regarding the performance characteristics sufficient to permit satisfactory and usable reception of each of the present 12 VHF and 70 UHF channels. Or to what extent, if any, enforceable rules could be promulgated concerning the performance capabilities for all-channel television sets that would assure the purchasers of these sets that they were in fact getting comparable signals from UHF and VHF stations.

In view of this doubt on the part of the Commission and its assertion that the bill as passed by the House might not accomplish the objective of the legislation; that is, to provide authority necessary to insure that all television sets be capable of effectively receiving all channels, the committee, therefore, adopted a simple amendment that should remove all doubt. I understand that the amendment has been adopted by the Senate. This amendment makes it crystal clear that the Federal Communications Commission has adequate authority to proscribe appropriate criteria and rules to achieve the objectives of this legislation. It should prove to be effective. It should meet the questions raised by the Federal Communications Commission and to do less would be to permit the whole thrust of this legislation to be thwarted.

I hope that without too much opposition the bill will become law.

Mr. CASE of New Jersey. Mr. President, both Senators from New York are vitally interested in the passage of H.R. 8031, the all-channel television receiver bill. In light of their interest, they have asked me to present their statements for the RECORD in support of this bill. I ask unanimous consent that their statements appear in the RECORD during the debate on H.R. 8031.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JAVITS

I support H.R. 8031 because in my judgment it will benefit the people of New York and the Nation in three very important respects.

First, H.R. 8031 will spur educational television. This is both necessary and desirable. By making sure that the public has television sets able to pick up UHF channels as well as VHF channels, H.R. 8031 goes hand in hand with recent congressional action providing for financial aid to educational television stations, most of which will be on UHF channels.

Second, H.R. 8031 will held develop more commercial television. It will assure the public UHF reception wherever entrepreneurs decide to put UHF stations on the air.

Third, H.R. 8031 will preclude the necessity of the shifting VHF stations to UHF, which has proved so unpopular and controversial in many parts of the country. It is my understanding that the FCC has stated that there will be a moratorium on Commission plans for shifting VHF stations to UHF and that this moratorium would last at least 5 to 7 years, and probably longer, until the effectiveness of all-channel set legislation has had a reasonable chance to prove itself. Thus H.R. 8031 will make sure that VHF television is not now taken away from millions of people. If H.R. 8031 is not enacted, many thousands of people in New York State are threatened with loss of television service because of existing FCC proposals to take VHF stations out of Binghamton, Hartford, Conn., and Erie, Pa.

Against these clear public benefits of H.R. 8031 I can see no substantial public disadvantage. No existing set would be made unusable. The extra cost of an all-channel set compared with a VHF-only set is estimated at $20 to $25 per set, which is not much when measured against the greatly expanded reception capability of these sets. Furthermore, it is reasonable to believe that when all-channel sets become universal, savings can be realized in mass production which will eliminate most or all of the presently anticipated extra cost.

I do not think H.R. 8031 is a dangerous precedent for Government intervention in private enterprise. The UHF–VHF question is unique. A decade of painful experience has made clear that all-channel set legislation is needed if the public is to have the benefit of an 82-channel TV system with its possibilities for expanded commercial and educational service. In any event, as amended and reported by the Senate Commerce Committee, H.R. 8031 would allow the FCC to establish standards for television sets only to the limited extent necessary to assure that all sets are capable of adequately receiving all television channels. The FCC would not be authorized to get into such questions as picture tube size or whether all sets should be equipped for color.

Finally, it is noteworthy that H.R. 8031 has widespread support: from the FCC, virtually all television stations, television networks, educators, at least three major set manufacturers, set dealers, and numerous farm and civic groups.

STATEMENT BY SENATOR KEATING

As a member of the Communications Subcommittee of the Senate Committee on Commerce, I voted in favor of reporting this bill to the Senate. I believe that it is the best available method by which we can provide a greater choice in programing to TV viewers and therby meet the demands of an even larger proportion of the general public.

I was pleased by the effective way in which all of the parties interested in this legislation have worked together to develop a concensus of opinion representing the interests of viewers, the TV industry, our committee, and the Federal Communications Commission. I should like to congratulate the chairman of the subcommittee, Senator PASTORE, for his leadership in the handling of this legislation in committee. I do not anticipate a close division of opinion on this bill; however, I regret that several urgent commitments in New York City prevent my being present to hear and participate in the floor debate.

NATIONAL DEFENSE AND FOREIGN POLICY

Mr. HARTKE. Mr. President, in the past few months there has been a great deal of discussion in the press, on the radio, on television and, in fact, on the floor of this legislative hall, about something called a no-win policy as being a part of the overall American foreign policy. It has even been alleged in certain quarters that the present administration has embraced a no-win policy, whatever that is supposed to mean. This discussion has concerned itself more with slogans than with facts; more with words than with action; and when I have finished this speech I hope, and it is my firm desire, to have Senators say that I have dealt with facts and not with mere slogans and words meaning little or nothing except to confuse and inflame emotions.

In entering a discussion of this nature, I am also reminded of a pertinent observation relating to the nature of democratic government and one that pertains particularly to the conduct of foreign policy and military policy in such a program, was made during the time of George Washington by that famous pessimist—turned optimist for the moment—Fisher Ames, of Massachusetts. He once remarked:

> A monarchy is like a merchant vessel. It sails the seas proudly. If it strikes a rock, it will sink. A republic, however, is like a raft. It will never sink in any sea—but your feet are always wet.

We in a democracy such as the United States always have our feet wet; and if we are to fulfill our international commitments, and deal with the insidious foreign policy practiced by the Kremlin masters, we will in ensuing years indeed have some rather wet and distressing times. Yes, I am sure that at certain intervals those who are responsible for high policy in this great Republic of ours, will be accused of having a no-win policy when we refuse to place this country on the brink of a precipice where some unintentional push could plunge us into a war from which all mankind and society would be reduced to a heaping pile of rubble.

Mr. President, let us consider what this administration has accomplished in the last 18 months and let us analyze some of the new policies that have been instituted to insure the defense of our country, and to prevent an all-engulfing nuclear holocaust.

The present administration has increased the defense budget by almost 25 percent—from $41.3 billion appropriated in fiscal year 1961 to $50.1 billion requested by President Kennedy for fiscal year 1963. Indeed, the 1963 budget request is more than $8 billion higher than the last defense budget requested by the Eisenhower administration for fiscal year 1962.

It is one thing to talk about winning, but it is quite another thing to provide the military forces required to assure our victory in combat. It has long been recognized that the advent of the nuclear-armed ballistic missile has confronted the Nation with a defense problem entirely new to its experience.

repaid to the Government—and with interest.

In concluding the letter to the President, I wrote:

I intend to urge in the Senate without delay that there be a cognizance of these conditions, both in the legislative and executive branches. When such a vital element of our Government's economy stimulating agencies as the Small Business Administration is virtually forced by fiscal starvation to ride at anchor we are permitting both the agency and the economy to rust and erode. I am disturbed by this condition and urge that it be corrected. This is a petition both to my colleagues of the Congress and to you as the Chief Executive.

Mr. President, I urge that you direct the Administrator of the Small Business Administration to rescind the $200,000 administrative limitation on loans as of the beginning of fiscal 1963. And I express the belief that it would be helpful, too, if the Budget Bureau would be directed to adopt a more sympathetic attitude toward the needs of the SBA. It is my judgment that the end product of such actions would be improvement in the ability of the Small Business Administration to assist the small business segment of the economy and thus enhance stimulation of the country's total economic growth.

Mr. President, the 100 largest manufacturing corporations in the United States last year had combined total assets of almost $126 billion and provided employment for over 5 million persons. The prosperity of the "glamorous 100" is vitally important to the Nation. But we must likewise be cognizant of the fact that Big Business is only a part of the Nation's economy which altogether employs more than 70 million persons in nearly 5 million enterprises.

So, it is important that we keep in mind the knowledge that there are as many enterprises in this country as there are citizens in the employ of the 100 largest manufacturing corporations. And we must not forget that most of the 5 million enterprises which provide jobs for over 70 million persons are in the smaller business category. In fact, the number of small businesses in the country within the definition used by the Small Business Administration is more than 95 percent of all businesses in the United States—or more than 4¾ million of them.

It is said that there are more owners—more stockholders—of the largest manufacturers than there are persons employed by those same corporations. This is significant and it bears relationship to the fact that the average investment per worker is very high among most of the largest firms.

Just as we must take action to sustain the small family-size farms in America, so we must likewise concentrate substantial effort on creating more economic strength and growth and more job opportunities among the smaller businesses and service instrumentalities of the country. The development of job opportunities is generally at a higher rate among the smaller businesses than seems to be the case with respect to the highly automated larger enterprises.

We must encourage business and industrial growth on a broader base, and certainly more at the level of activity which the statutes intend that the Small Business Administration shall serve.

Mr. President, I have not risen in this forum in any spirit of narrow, carping criticism. I have stated very forthrightly and, I trust, constructively, the facts as they relate to the failure of, yes, the Congress and, yes, the executive establishment to meet this problem. In West Virginia, loans have been approved which, if they were consummated, would result in men and women being employed. However, no money has been forthcoming from the Small Business Administration on those loans because the Agency is lacking in funds. Credit has been made available by the local banking institutions, representing a participation in the amount of approximately 25 cents on every dollar. Yes, the local banks' participating shares have been subscribed by the local lending institutions. The Small Business Administration has approved the Federal loans, but, I repeat, no money has been made available through the Federal Government. As a result, 20 men or 50 men or a hundred men, who would be gainfully employed if the loans were consummated, are without work. This is a serious situation.

I am not pointing a finger directly at any person or any agency or any committee. However, the administration, the Congress and its committees should be more affirmative and more positive, and must make an all out frontal effort in the area concerning which I have addressed these remarks.

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. PASTORE. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE FEDERAL COMMUNICATIONS ACT OF 1934

The Senate resumed the consideration of the bill (H.R. 8031) to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus.

Mr. CLARK. Mr. President, will the Senator from Rhode Island yield for a question?

Mr. PASTORE. I yield.

Mr. CLARK. I am thoroughly in support of the pending bill, and I intend to vote for it. I should like to raise one question, however, if my friend the Senator from Rhode Island will be good enough to answer it.

There is a bill pending in his committee which would either suspend or permanently remove the requirements of section 315 of legislation dealing with equal time in political campaigns. As a candidate for reelection this year, I am deeply interested in that proposed legislation. It has been my view that there was an equal reason for suspending section 315 in congressional and senatorial elections as there was in connection with the presidential election of 1960. If it made sense to suspend the requirement in the presidential election, it seems to me it makes equal sense to suspend it in connection with senatorial and congressional elections. My question is: Does the Senator intend to press this bill, is there a chance that he will soon hold hearings on it, and what are his views as to the desirability of the proposed legislation insofar as the campaign of 1962 is concerned?

Mr. PASTORE. So far as I am concerned, I should like to see that kind of legislation enacted before the elections take place this year. I hope there will be a majority in the Senate and in the House who will be of the same mind. However, there are pending before our committee four bills which touch upon the same point.

The Senator will recall that it was upon the initiative of the Commerce Committee that we were able to suspend the equal time provision insofar as it applied to the offices of President and Vice President in 1960. That led to the famous debates as to the election of 1960. They turned out to be so very successful that the Senator from Rhode Island introduced a bill permitting the exemption to be applied to the offices of Senator and Member of the House of Representatives and Governor of a State. Four such bills are pending. One has to do with the Presidency and the Vice Presidency; another has to do with the Presidency and Vice Presidency and Senators and Representatives and Governors, which I introduced; then there is another bill which I believe was introduced by the Senator from New York; and there is also a fourth bill. We have assigned this subject for hearings to begin on July 10.

Mr. CLARK. I thank the Senator from Rhode Island for his answer.

I observe my colleague, the Senator from Pennsylvania [Mr. SCOTT], in the Chamber. Ever since he became a Member of the Senate, we have conducted a series of biweekly reports to the people for the benefit of our constituents in Pennsylvania. On occasion, we have expressed differing points of view. We try to make the programs lively. We have had guests. We believe, perhaps egotistically, that that program was a real public service to the people.

Mr. SCOTT. It was the longest nonsustaining program on the air.

Mr. CLARK. The Senator is quite correct. At one time we broadcast over 39 radio and 15 television stations which carried the program in Pennsylvania each week. Today only 9 radio stations and 3 television stations carry the program. We are no longer able to produce a joint program, simply because I am a candidate for reelection, and the radio and television stations tell us—and I have a sheaf of letters from them—that under the equal time provision of the law they cannot continue to broadcast the program. This seems to me to be a great misfortune. My colleague, will be up for reelection in 1964, and I am certain he will feel as I do.

I ask the Senator from Rhode Island if in some way the situation cannot be improved, so as to enable this kind of program to continue.

Mr. PASTORE. There is nothing that can be done until the law is changed. That is one of the questions which perplexes the Committee on Commerce. I am one who believes the law should be relaxed. We must begin to consider the problem in the public interest. Most of the people in the industry are persons of integrity and maturity. They are interested in providing a public service. But so long as the equal time provision exists, it means that anyone who is a candidate or who announced he is to be a candidate for office would be entitled to the same opportunity his opponent enjoys. This raises a problem for the broadcasters, who simply restrict the number of programs involving legally qualified candidates who seek an elected office.

If it is desired to open up the opportunity for debates, as was done in the last campaign for President, it will be necessary to modify the law. It is my fervent hope that that may be done at this session.

Mr. SCOTT. Mr. President, I sl ould like to have my remarks apply generally rather than with reference to Pennsylvania particularly, although I hasten to say that I agree exactly with what my senior colleague has said about the need for equal time to express views and about the utility of such programs. We would be lacking in a due sense of modesty if we were not able so to agree.

Speaking now of the broad scope, as I was formerly a minority member of the subcommittee under the chairmanship of the Senator from Rhode Island, the Subcommittee on Freedom of Information—and I take some pride in the fact that I gave the subcommittee that high-sounding title—I signed a report, together with the two majority members of the subcommittee, which report concluded that perhaps the equal time amendment could be changed as of next year instead of now. We recall the late revered Senator from Arizona, Mr. Ashurst, who is supposed to have said that consistency is, at best, a semiprecious stone.

I have had—as I believe every Senator should have—an opportunity to have time for reflection. I have concluded that perhaps I was wrong in agreeing with the two majority members about the equal time provision, and I here make my pilgrimage, if not to Canossa, at least to the Senate, and say that, after careful consideration of all sides of the question, I am inclined to believe that it would be quite desirable to amend the act so as to apply it to congressional elections—that is, to the election of Members of the Senate and House—and to apply it, perhaps, to the gubernatorial races.

I believe the right of the people to know is of sufficient importance to warrant expediting the measure. After all, the position I took earlier was that perhaps the revision could wait until next year. But now I question my own earlier judgment. I think it would be better if there could be such legislation.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD certain additional remarks, together with certain sections from the hearings on this subject. I make this request because I am losing my voice, and I know that other Members of the Senate would not want that to happen to a compatriot.

Mr. PASTORE. Inasmuch as the Senator from Pennsylvania is not a candidate this year, I think he is entitled to his voice.

There being no objection, the statement and excerpts from the hearings were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SCOTT

The all-channel TV bill was reported by our committee with such near unanimity that I thought at first I would have nothing to say about it. However, there are minority views, and I think I owe it to the legislative record to offer some comment on them, particularly because the minority views came from this side of the aisle.

The main argument of the minority views is that this bill, H.R. 8031, would intrude the Federal regulatory power into an area which it has not heretofore entered and would thus establish a bad precedent.

I think I am as loath as the next man—certainly as loath as any of my colleagues on the Commerce Committee—to see any unnecessary extension of Federal regulatory power. On principle, I oppose placing Federal regulation between the purchaser and the manufacturer, but I try most carefully to apply principle in proper cases.

With the mass of legislative proposals clamoring for our attention, it is natural enough that each of us should try to dispose of them initially by measuring them against his basic philosophy. In doing that we look for ways in which the new proposals are similar to those we have dealt with in the past. That approach is a sound one, and it will guide us rightly so long as we remember to look not only for the ways in which things are the same but the ways in which they are different.

Senators who have signed the minority views ask, if we say today that people can buy only all-channel TV sets, "where will we draw the line tomorrow?" They ask, "Why not force automobile manufacturers to make only compact cars, because limousines take up too much room, or only convertibles because sunshine is good for people?"

I submit that the minority views draw a parallel that ignores the way in which regulation of the interstate sale of TV sets differs from Federal regulation of other interstate sales. That difference lies in the fact that the Federal Government, by necessity, regulates use within the United States of the electromagnetic spectrum.

There is only one such spectrum. It exists worldwide and possesses physical characteristics that command regulation and order, if we are to get any benefit from the spectrum at all. One use at a particular point on the globe excludes another, and for this reason the Federal Government, in order to serve the people, long ago took control of the spectrum. The Federal Communications Act itself dates from 1934, so there is no novelty in the thought that there must be regulation as to who uses a frequency, at what time and in what place.

At a date which predates the service of many of us here, the Federal Communications Commission found it wise to work out a nationwide assignment of television frequencies. In the state of the telecasting art then existing, it seemed reasonable to assign VHF and UHF frequencies for ultimate service to the public in the same area. As television grew, heavy public investments grew up around the television stations that began service. Most of these, for sound engineering reasons, were in VHF frequencies, so the public investment in receiving equipment has been predominantly in sets that will receive only VHF frequencies.

Now, however, the public need for more television broadcasting—to serve areas now competitively served, or to serve the needs of educational telecasting—is demanding more and more television transmitters. They cannot be built unless there are frequencies on which they can operate. There are no longer enough frequencies in the VHF band.

Unfortunately, there are only a minute percentage of receivers in the UHF band—and there is the rub. To give a licensee a UHF frequency today is much like giving a sandlot ball team everything to play with except a ball. There simply isn't money enough in telecasting to permit a new licensee to build his transmitting facilities and his studios, and then go out and offer, free of charge, to equip every TV receiver within his range with a UHF converter. The alternative, in the public interest, is to require that future TV sets offered for sale be able to receive any transmission on an authorized frequency.

The parallels to this action are not to be found in the example given in the minority views, but in such things as requiring that aircraft using the Nation's airways be of an approved type and certified as to airworthiness, or that a household refrigerator shipped in interstate commerce be equipped with a device permitting it to be opened from the inside. Of a similar nature is a bill which has already passed the House and which would prohibit the shipment in interstate commerce of hydraulic brake fluid that fails to meet specifications of the Secretary of Commerce.

Aside from these examples, there are a host of laws in the field of food and drugs and many in the field of weights and measures. By Federal law, it is even prohibited to ship false teeth in interstate commerce unless they have been prescribed by a dentist in the State to which they are shipped.

I am not much impressed by the argument that this legislation will require a high-priced addition to set components and will thus raise the cost to consumers by as much as $150 million per year at the present level of sales. You can go downtown in Washington right today and buy a 19 inch all-channel TV set for under $150. Once this legislation goes into effect, the difference in cost between VHF and all-channel sets will reach the vanishing point. Already, I have been told, the order has gone to the design staff of one manufacturer of electronic components to develop an all-channel tuner that will sell to the assembler at a cost not more than $2 higher than the VHF-only tuner now used.

I cannot conclude without saying that I, too, feel a pang of regret that legislation of this sort is necessary. It would not be if mere mortals had the foreknowledge of gods. Had the FCC known in time of the dissimilar characteristics of UHF and VHF transmissions, we would have had a different allocations plan. Had anybody known in time, we could have had a continuous band of VHF frequencies—or UHF frequencies—set aside for television's use. But that is not the way the world works. Hindsight never anticipates, and we are left to make do with our human limitations. We are left to face the facts as they are—not as we would want them to be.

Those facts tell us that the alternative to this legislation is to choke off—indefinitely into the future—the further expansion of nationwide competitive television, and to stifle in its infancy the development and maturity of educational television.

In this same Congress, just a few weeks ago, we approved a program of Federal

matching grants to stimulate educational telecasting. What we are asked to do now is to give a further vigorous lift to the educational TV potential allocated to the UHF band. Of 279 channels reserved for educational TV, 187 are in the UHF band. Of these only 28 or less than 16 percent have been granted construction permits. The little extra lift this legislation can give could mean more to putting educational TV stations on the air than giving them exclusive rights to telecast college football—and I have heard that wistfully discussed by educational broadcasters.

May I say, in closing, that in my view, this legislation is definitely in the public interest. It will play its part, over the years ahead, in helping us to a better informed citizenry. It will give our Nation voters who have had the opportunity to see and hear all candidates, with none excluded because of unavailability of broadcast time. It will expand opportunities for education and entertainment, and will create no precedent that has not already been carved out in the public interest.

I, for one, shall vote for H.R. 8031, and I urge all Senators to do likewise.

Table of assignments

	Channel No.
Pennsylvania:	
Allentown	39, 67
Altoona	10—, 25—
Bethlehem	51—
Bradford	80—
Butler	43—
Chambersburg	46—
Du Bois	31+
Easton	57—
Emporium	42—
Erie	12, 35+, [1] 41—, 66+
Harrisburg	21+, 27—, 33+
Hazleton	63
Johnstown	6, 19+, 56—
Lancaster	8—, 55+
Lebanon	15+
Lewistown	75—
Lock Haven	32—
Meadville	62+
New Castle (see Youngstown, Ohio)	
Oil City	64
Philadelphia	3, 6—, 10, 17—, 23+, 29, [1] 35—
Pittsburgh	2—, 4+, 11, [1] 13—, 16, 22, 53+
Reading	61—
Scranton	16—, 22—, 44
Shamokin	65
Sharon	39+
Shinglehouse	60+
State College	[1] 69+
Sunbury	38
Uniontown	14
Washington	63+
Wilkes-Barre [2]	28
Williamsport	26+
York	43, 49

[1] Reserved for educational TV.

[2] Wilkes-Barre, Pa.: 34 deleted eff. Jan. 22, 1962.

Educational television channel reservations

	Channel No.
Pennsylvania (5):	
Erie	41
Philadelphia [1]	35
Pittsburgh [1]	13
Pittsburgh [1]	16
State College	69

[1] Educational stations on the air; does not include noncommercial educational stations operating on nonreserved channels.

STATEMENT BY MORT FARR, CHAIRMAN OF THE BOARD OF NATIONAL APPLIANCE & RADIO-TV DEALERS ASSOCIATION, IN SUPPORT OF BILL S. 2109, TO ENABLE THE FCC TO REQUIRE TV MANUFACTURERS TO MAKE ALL-CHANNEL TELEVISION RECEIVERS

My name is Mort Farr, an appliance and television retailer from Upper Darby, Pa. I have been associated with the radio and television industry since 1920. I have been a pioneer in the amateur radio field, having been issued amateur call letters 3ME, and an operator's license signed by Mr. Hoover, then a Director of Department of Commerce in 1920.

I appear here today as chairman of the board, and chairman of the legislative committee of NARDA. Through my association with this organization, as a director since 1946, and as president in 1950–51 and chairman of the board continuously since that time, I am in constant contact with retailers throughout the United States. We are here to lend support to the enactment of bill S. 2109 and its principles as proposed by Mr. Newton Minow.

There are many reasons why our organization supports this bill.

(1) A radio, if purchased in 1920 and still operative, would be capable of receiving all frequencies currently in use in the United States. Television is the only mass communication service whereby all frequencies assigned to that service cannot be received on all sets. An individual pays 90 percent of the cost of what would constitute a complete set, and that set is only capable of receiving one-seventh of all available channels.

In color TV for example, the consumer is really paying 95 percent of this cost and for less than 5 percent additional, they could purchase a receiver which cannot become absolete. If it becomes mandatory to include all-channel selectors in the manufacture of all television sets, it would therefore encourage the building of more TV stations to better serve markets that have either no or too few broadcasting stations.

(2) A much wider selection of programs would become available to the viewing public. This would create much keener competition between networks and stations which would tend to improve the quality of the programs. It would also bring network programing to areas not being currently serviced.

(3) The greatest single factor in all-channel television would be in the field of educational TV. This could probably be the greatest single force in furthering education since the invention of the printing press.

It is interesting to note that the Educational TV Association has indicated that as many as 1,000 of the approximately 1,800 additional channels available will be required for educational purposes.

It is true that a small percentage of our current TV programs are devoted to education. However, the scheduling of these shows at inconvenient hours and not available in many areas reduces greatly the benefits that could be gained.

(4) There is no doubt as to the need for all-channel receivers. We have already established the additional cost is insignificant for the extra services possible. Having gone through the early problems incurred when UHF was first introduced after the "freeze" and recognizing the tremendous advances both in transmission and receiving of these channels, there should be no reason why in most locations the quality of the picture should not be as good on channels 14 to 84 as they are now on channels 2 to 13.

(5) I have no doubt that had a ruling such as this bill proposes been enforced in 1952 when there were less than 7 million television receivers on the market, the position of the television industry would be in a more advanced state today.

The bill, as proposed, will not obsolete present sets. The viewer can be sure of getting the channels they now receive and the most they might have to do, if additional stations open up in their area, is to add a converter.

As a representative of an industry which has been paying a 10-percent excise tax on television sets manufactured, I have gone to Washington on many occasions to try to have this unfair tax removed. While it was imposed as a temporary measure, it is renewed each year with a promise that at some further time relief wil be granted. Perhaps this might be a good time to propose that all sets being manufactured that include all-channel tuners will either not be taxed or perhaps taxed at 5 percent.

This will be especially beneficial to stimulate the sale of color television sets as it will make the price of all-channel color sets no higher than the VHF models.

I believe that the stimulation that the sales of color television would receive could conceivably result in little loss to the revenue department, as a color television set sells for at least twice as much as a black and white model.

I want to thank the committee for giving me the opportunity of presenting our views relative to the inclusion of the all-channel selector on all television sets manufactured, and would now like to give the gentlemen on the committee a chance to ask any questions that they might desire.

PHILADELPHIA DISTRIBUTORS, INC.,
King of Prussia, Pa., March 8, 1962.

HON. JOHN O. PASTORE,
Chairman, the Communications Subcommittee of the Senate Commerce Committee, U.S. Senate, Washington, D.C.

DEAR SENATOR PASTORE: As a distributor of Motorola television sets for the Philadelphia area, I am writing to you to express my opposition to S. 2109, a bill which you know is designed to amend the Communications Act of 1934, and thereby give the Federal Communications Commission some regulatory authority over television receiving apparatus. It seems our free enterprise system is being affected by this bill, since it tends to dictate to manufacturers the kind of products they should build.

While this bill has been referred to as a UHF bill, it actually seems to cover a much wider field, since it would place in the hands of the Federal Communications Commission the capability of specifying the performance of all television sets. Not alone would it stop there, but it would place in the hands of this group the authority over picture power, number of tubes and circuits and the amount of wiring in each set.

If this bill were limited to allowing the manufacture of only VHF–UHF sets, which is not the case, it is my opinion that any action taken prior to ascertaining the results from the New York channel 31 tests would be a little previous. It is our opinion any tests run showing the comparison between UHF and VHF will prove the VHF system to be far superior. You probably already know the UHF signal is 30-percent less effective, and very definitely UHF chassis are far more likely to be affected by interference.

Last, but not least, the most important factor is that a television set with UHF tuners will sell for considerably more money than VHF sets, and it seems this is an imposition when every customer would be forced to pay this additional amount even in areas where there is no UHF broadcasting. This situation exists in some of our most populated cities in the country; i.e., Philadelphia, New York, Chicago, Washington, D.C., and Los Angeles.

May I ask this letter be inserted in the transcript of the hearings in the above bill.

Respectfully yours,

A. E. HUGHES, Jr., *President.*

THE ELECTRONIC SALES CO.,
West Haven, Conn., March 1, 1962.

Hon. JOHN O. PASTORE,
Chairman, Communications Subcommittee of the Senate Commerce Committee, U.S. Senate, Washington, D.C.

DEAR SENATOR PASTORE: We vigorously oppose bill S. 2109 amending the Communications Act of 1934.

Passage of this bill places an unfair financial burden on large segments of our population.

In southern Connecticut we are served by seven VHF channels from New York, and two channels located within Connecticut. These channels offer the public a wide variety of entertainment and news.

The Government enforcement of UHF transmission and production of only all-channel receivers would not benefit the residents in this area as they are receiving currently a wide variety of programing. However, they would be forced to pay the extra cost of all-channel receivers.

There are other items in the bill to which we object. Notably, the placing in the hands of a Government agency the authority to dictate to private manufacturers the kind of products they can build. Granting the FCC this authority is not consistent with the Government's policy of laissez faire. This broad authority in the hands of FCC will help destroy our system of free enterprise which has been an integral part of our democracy.

We ask that this letter be made part of the record of hearings to be held on S. 2109.

Yours truly,

FRANK J. DECAPRIO,
Vice President.

ERIE, PA., *February 17, 1962.*

Hon. Senator PASTORE:

I strongly encourage you to vote for Representative ROBERTS' bill, H.R. 9267.

As a Democratic State committeeman from Erie County, Pa., channel 12 is needed badly. Petitions are circulated and it would be a great disservice to put it on UHF.

I contacted many of your fellow Senators and Representatives and many feel as we do in Erie County. Northwestern Pennsylvania needs channel 12 on the VHF signal.

Sincerely,

STEVE JANCEK,
Democratic State Member.

PENNSYLVANIA LEAGUE OF ITALIAN VOTERS,
Erie, Pa., February 17, 1962.

DEAR SENATOR PASTORE: I strongly encourage Roberts bill, H.R. 9267, to be passed. As president of Pennsylvania League of Italian Voters I personally recommend channel 12, WICU, Erie, Pa., station to be retained on VHF signal, not a UHF signal. Many of my friends thoroughout northwestern Pennsylvania will be very disappointed if channel 12 will be eliminated.

Sincerely yours,

ANTHONY SENECL

CRAIG CORP.,
Los Angeles, Calif., February 26, 1962.

Hon. JOHN O. PASTORE,
Chairman, Communications Subcommittee of the Senate Communications Committee, U.S. Senate, Washington, D.C.

DEAR SENATOR PASTORE: It has come to our attention that there is a bill to amend the Communications Act of 1934 to give the Federal Communications Commission certain specified requirements for the manufacture of television receivers. This bill is S. 2109.

We would like to express strong opposition to this bill. First of all, making all-channel VHF–UHF television receivers mandatory by law the Government is forcing millions of people to pay an extra cost for something they may never use. Major metropolitan ares across the country who are not using UHF may never adopt its application. This seems extremely unfair to the million of consumers located in areas such as Los Angeles, New York, Philadelphia, and Chicago.

It is a known fact that UHF is an inferior system to VHF as it does not offer the same quality to the customer. The range of UHF signal is less and, in addition, is more susceptible to interference caused by buildings, trees, etc.

I also strongly oppose the fact that this bill jeopardizes the American free enterprise system by placing in the hands of a Government agency the authority to dictate the kind of products private manufacturers may build.

Sincerely yours,

ROBERT CRAIG, *President.*

HOUSE OF REPRESENTATIVES,
Washington, D.C., March 1, 1962.

Hon. JOHN O. PASTORE,
Chairman, Subcommittee on Communications, Senate Committee on Commerce, New Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: The attached statement is to be incorporated into the record of the Communications Subcommittee on S. 2109.

Your assistance in this matter is appreciated.

With all good wishes.

Very truly yours,

JOHN B. ANDERSON,
Member of Congress.

Mr. CASE of New Jersey. Mr. President, the Senator from Pennsylvania, if only by reason of the authority he has cited, is entitled to change his mind. But I remember that the poet Walt Whitman had a line or two which are apropos:

> Do I contradict myself?
> Very well then I contradict myself,
> (I am large, I contain multitudes.)

Mr. SCOTT. The Senator from New Jersey contained multitudes when he won by so great a majority.

Mr. CASE of New Jersey. We worked this out beforehand. [Laughter.]

On the question more immediately before us, I desire, as a member of the Senator's subcommittee, to express complete satisfaction, and I wholeheartedly endorse his position about the holding of hearings on the bills. I think the objective is a sound one.

The senior Senator from New York [Mr. JAVITS], the sponsor or the author of one of the bills, asked me if I would, on his behalf also, express his appreciation of what he had understood the Chairman proposed to do at this time, so in the Senator's absence, and for him, I also thank the Chairman.

I thank the Senator from Rhode Island, who is chairman of the subcommittee, for his gracious, sound, and right recognition, with respect to the report of our subcommittee on the pending bill, of the interests of the great State of New Jersey, which I have the honor, together with my colleague [Mr. WILLIAMS], to represent.

Mr. COTTON. Mr. President, I have been seeking recognition because, as one of the signers of the minority views on behalf of the Committee on Commerce, I desire to express the reasons for our opposition.

I should say, before I begin to discuss the legislation itself, that since the bill was taken up on the floor last night, my attention has been called to a situation which I deplore. It will be recalled that just before adjournment last night a colloquy took place concerning the length of time debate on this measure would take. The distinguished Senator from Rhode Island [Mr. PASTORE] implied that he did not anticipate any substantial or important opposition. This was a gentle jibe at me and was received in that spirit. I then stated that there would be some opposition, and that I was one who would oppose the bill.

To my amazement, since the colloquy took place in the Senate last night, I have found myself, I will not say bombarded, but importuned by representatives or persons who are under the supervision of the Federal Communications Commission to please not assert any determined opposition to the bill, because it is their fear that if the bill were held up or defeated, the Federal Communications Commission would be so irritated that those persons might suffer before the Commission. I am positive that those representations were not made because of any instigation by any member of the Commission.

I am a great admirer of the Commission, and an admirer especially of the Chairman of the Commission. I was much impressed by him when he appeared before our committee. I have had reason to congratulate him, with great sincerity, because of the effort he has been making to clean up television and radio entertainment and to make it of a better grade for the American people. I have great confidence in his ability and integrity, and also in those of all his associates. However, Mr. President, as is stated in the report, this bill is admitedly a Federal Communications Commission proposal, and it has been proposed for reasons which to the Commission seemed sound.

Now the bill has been brought to the Senate. The Federal Communications Commission is a creation of the Congress and is a servant of the Congress. Certain duties have been delegated to the Federal Communications Commission; but the Commission is not the master of the Congress, not even in this field. Therefore, I rather resent attemps to muzzle some of us, particularly

in view of the fact that the proposed legislation involves a principle which inherently is extremely dangerous.

Mr. President, at this time I wish to present a slight amplification of the views set forth in the committee report:

Despite the complexity of television, and despite the ease with which VHF may be confused with UHF, the basic issue which confronts the Senate on this bill is relatively simple.

The question is whether the benefits of all-channel TV receivers would outweigh the evils of the precedent which the bill would set. My own conclusion, arrived at after long and careful consideration, is that they would not.

By requiring that all TV sets shipped in interstate commerce be capable of receiving 82 channels, instead of only the 12 VHF channels, the bill would set a far-reaching precedent whose dangers are clear and direct.

Make no mistake about it, Mr. President, the bill would substitute Government regulation for the public's freedom to choose among manufactured products. It might be a forerunner of the consumer controls of the future, and it would open whole new vistas of coercion and confusion. In the past Congress has limited the public's right to choose among products, when the public health or safety was a paramount factor. But no such considerations are presented in connection with this bill.

Neither the public health nor the public safety is involved, and the most ardent supporters of this proposed legislation concede this. The regulatory purpose of this bill is purely social. Once we started down this road, could anyone tell where it would end? If, today, we force people to buy TV sets they do not want and cannot use, where shall we draw the line tomorrow, if there is any line left to draw? Why not force automobile manufacturers to make only compact cars, because limousines take up too much room; or only convertibles, because sunshine is good for people? There would be literally no end to the chains of regulation which would bind the American people, if this approach were adopted generally.

There will be those who will say that this bill ought to be enacted because its purpose is good. It seeks the laudable goal of expanding and improving the television services available to the public. But it is no excuse to contend that the purpose of the bill is good. Justice Brandeis scotched that when he said:

Experience teaches us to be most on our guard to protect liberty when the Government's purposes are beneficent.

Other important disadvantages to this bill should not be obscured by the general desire for more and better TV service.

First, estimates presented to our Committee during its hearings on the bill indicate that it would add about $25 to the cost of each TV set. This would saddle the consumers with an extra burden amounting to $150 million a year, at the current level of sales. All-channel TV service would not come cheap to the American public.

Second, the bill would not correct the fundamental disadvantages of UHF television. Signals broadcast on its channels, numbered from 14 through 83, can be received only at substantially shorter distances than the VHF signals broadcast on chanels 2 through 13; and this disadvantage gets progressively worse as the channel numbers get higher. Furthermore, UHF broadcasts are subject to considerably more difficulty from shadowing and from other forms of troublesome interference than are VHF broadcasts.

The bill would inevitably lend new impetus to the drive to move all television services to the UHF channels, and thus free the present VHF channels for other use. Such a move could far more easily be accomplished after all the Nation's TV receivers were equipped to receive the UHF channels. Regardless of the overall merits of this long-discussed solution to the TV problems, the fact remains that it would result in a loss of TV service in many rural and suburban areas of the Nation.

The bill admittedly proposes a slow-acting, long-range step toward a resolution of the problem of using the 72 UHF channels. It would require at least 6 to 8 years, according to Commerce Department estimates, to substantially replace the sets now in use; and by then this proposed legislation may not be needed at all. All-channel set production so far this year is 100 percent greater than for the same period last year, increasing in apparent response to the rising public interest in UHF broadcasting, especially in educational TV, which is getting an extra and highly beneficial shot in the arm from the new Federal-aid program enacted into law earlier this year. The bill would thus impose on the American people a wholly unprecedented regulatory scheme, in order to accomplish a goal 6 to 8 years into the future, when no one can foresee what might then be the circumstances, the needs, the technology, or the public interest.

In weighing the advantages and disadvantages of the proposed legislation, we ought also to consider its chances of achieving the TV breakthrough which is its main objective. Would the presence of all-channel sets "light up" the 1,400 unused channels in the UHF band? That would undoubtedly help, but it must be borne in mind that such receivers in the hands of the public would not necessarily enable a local UHF station in a small town to compete successfully for the advertiser's dollar, against the efforts of the strongly based VHF station in a big city. Many of the UHF channels allocated by the Federal Communications Commission have been placed in smaller communities which already receive TV service from longer range VHF stations in the same or nearby cities. There can be no doubt that new stations using these UHF channels would have a real economic battle on their hands, no matter how many sets were capable of receiving their signals. And in assessing the chances of success of this proposed legislation, it may be appropriate, also, to note that 25 percent of the existing VHF channels are still unused, despite the fact that 100 percent of the Nation's TV sets can receive signals from these channels.

Passage of the legislation certainly would guarantee a profuse flowering of what has been called the vast wasteland of television.

At best, the bill would be a dubious experiment, and be it a success or a failure, it would set a precedent which will plague us from now on.

I cannot support legislation which asserts the Federal regulatory power for purely social ends, however desirable they may appear. In this I will take my stand by the side of Abraham Lincoln who said, "You will never get me to support a measure which I believe to be wrong, although by doing so I may accomplish that which I believe to be right."

Mr. President, I should like to add a word to my statement. In the first place, the Washington News of May 29, 1962, contained an editorial in which this legislation was discussed. A single sentence in the editorial sums up the legislation in striking fashion. The sentence reads: "In other words, if the law of supply and demand does not work as fast as Washington thinks it should, pass a law and hurry it up."

I ask unanimous consent that the entire editorial be inserted in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MANDATE FOR TV-SET MAKERS

Congress apparently is about to pass a bill to compel TV manufacturers to produce television receivers good for all channels—UHF as well as VHF. Most sets now will take only the VHF channels, of which there are 12.

UHF, or ultra-high-frequency, channels are more numerous—70 now are available.

The Federal Communications Commission is pushing this bill on several grounds: To give viewers a choice of more programs, to provide TV service for communities which lack it because of the shortage of VHF channels, to stimulate more educational stations.

"What this country needs," says FCC Chairman Minow, "is more television, not less."

There are relatively few UHF stations now because so few homes are equipped to receive them, he reasons. The manufacturers won't make all-channel sets because, since there are so few stations, there is small demand—and the cost is $20 to $30 higher.

So the answer, the FCC thinks (and the House already has passed the bill), is to compel the manufacturers, by law, to make all-channel receivers.

In other words, if the law of supply and demand doesn't work as fast as Washington thinks it should, pass a law and hurry it up.

The same argument could be applied to color TV. Set sales have been relatively slow because the cost of the sets was high, and color programing has developed gradually. Programing came along slowly because of cost and the lack of demand resulting from the scarcity of receivers.

If Congress can force the manufacturers to make all-channel sets, cannot it also force them to produce color sets? And then, by law, tell the stations what programs to present? Or decree that all radio sets must be both AM and FM? By this law, if the Senate approves, Congress also in effect is compell-

ing the TV viewer to buy an all-channel set whether he wants it or not.

The processes of a free market may be too slow for the impatients here in Washington—but in our judgment a lot less dangerous.

Mr. COTTON. Mr. President, I commend the distinguished Senator from Rhode Island [Mr. PASTORE], and the staff, for the frankness, clarity, and completeness of the report presented by the committee. We find this statement in the report:

It must be remembered that this involves a unique situation which would not in any way constitute a general precedent for such congressional regulation of manufactured products.

That statement in the report was referred to in the remarks of the able Senator from Rhode Island, and was brought up by the Senator on the floor with complete sincerity.

I am sure it is the fixed belief, almost the unanimous belief, of the Committee on Commerce. But, Mr. President, the mere fact that the Committee on Commerce, or its majority members, make the statement does not make it so.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. COTTON. In just a moment.

In the history of the enlargement of powers of the Federal Government, I doubt if there have been many chapters that have not had as their preface that very remark, "This is a unique instance. There are peculiar reasons."

This instance is unique in that, so far as I can determine, it is the first time it has been suggested that the Congress of the United States reach out its arms and, by law, deprive the consumers of their right to purchase manufactured commodities, unless there is some element of safety or help involved.

I yield to the Senator from Nebraska.

Mr. HRUSKA. First of all, I would like to compliment the distinguished Senior Senator from New Hampshire for the splendid statement he has made, pointing out the inherent dangers in, and dubious precedents for, this legislation. It seems to me that the case of the Senator from New Hampshire is quite sound and well reasoned. I join him in his commendation of the writers of the report by the majority, not only for the clarity in stating the problem, which is notable, but also in the frankness with which they say, "There is no market for UHF stations; we want to legislate one."

That is just about the size of it and frankly and undeniably it is the objective of the bill.

On the point, however, which the Senator from New Hampshire has just raised, namely, that there may have been other instances where, by Federal legislation or by State legislation, there had been prescriptions for or prohibitions against the manufacture for transportation across State lines of various products, my attention was called to the legal opinion rendered by the general counsel of the Federal Communications Commission, Mr. FitzGerald. In writing on that particular point, he drew attention to statutes in that category. Among them is a statute relating to gambling devices which shall not be transported in interstate commerce.

There is a statute relating to the prohibition of the manufacture or sale of highly flammable articles of wearing apparel, and there is a statute relating to the prohibition of the transportation of household refrigerators between States unless they are equipped with adequate door-opening devices. We also have examples such as the statute relating to the prohibition of manufacture of cars unless there is a particular type of safety glass used for the windshield, doors, or other panels through which the occupants of the cars may see.

These statutes have been cited as a precedent for this type of legislation. The Senator from New Hampshire has indicated the distinction between these situations and the provision of this bill.

My question to the Senator is, Would he care to elaborate on that point?

Mr. COTTON. I think in the examples the Senator from Nebraska has brought out, and which indicate his study of this whole matter, in every single instance, so far as I know, they are cases in which we have restricted the sale to the consumer of articles in which the public health, safety, or morals were in some way involved.

I believe there is pending in the Committee on Commerce at the present moment, if I am not mistaken, a measure which has to do with placing a Federal restriction on the kind of brake fluid that shall be provided in automobiles. I do not know whether the bill will receive the approval of the committee or not, but that proposal is different from the one now before the Senate, because it has to do with the public safety.

If there were a Federal law providing that every automobile shipped in interstate commerce be equipped with a nonshatterable windshield—I believe there are State laws on that subject but no Federal law—it would be in a different category than the pending bill.

So far as I have been able to determine from such examinations as I have been able to make, the pending bill is the opening of a new chapter and an entering wedge along a new line. It is a Federal regulation and a Federal restriction on the right of American consumers to purchase articles, and the restriction is for a purely social purpose, no matter how worthy that purpose is, and I admit that the purpose is praiseworthy and the intentions are the very best.

When we take the step across that line and enact that restriction, we are just turning another page, and I think Senators will find it will rise to plague us because we have taken a step that provides Congress can, if it thinks a certain article is good for the buying public and another article is not good, prevent the consumer from exercising his free judgment.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COTTON. I certainly yield to the distinguished chairman of the subcommittee.

Mr. PASTORE. I assure my colleague from New Hampshire, in all honesty and frankness, that the matter he has raised was of very serious and grave concern to the members of the committee, so much so that I called upon the General Counsel's Office of the FCC to render an opinion as to the constitutionality of the proposed law. That opinion is included in the report. Not being satisfied with that, I thought we should request an opinion from the Attorney General's Department. We made that request of the Department of Justice. An opinion was rendered by Mr. White, who is presently a member of the Supreme Court, who decided it was constitutional.

I realize we have an unusual situation here, and I can well appreciate the apprehension of my colleague. The line of demarcation is not so wide that it is black or white. There is a rather gray area. All of us must be rather jealous of safeguarding and making sure that we do not establish a precedent that will disturb our whole system of free enterprise. No one was more disturbed or conscious of the fact than myself. But there is this to be said: There is a distinction to be mentioned here. We are not dealing with an item such as automobile brake fluid, which the Senator mentioned earlier. We are dealing here with a natural resource and a limited resource not available to everyone.

The radio spectrum belongs to all the people of the United States. It is in a public domain area. A serious question arises because there is a vast section of the spectrum, which includes 70 UHF channels, which is not being used for the public benefit.

The argument is made that the basis for this proposal is only social. It is a little more than that. A short while ago we recognized that we must do something about grants-in-aid to communities in order to permit the fuller use of television for educational purposes. It had been testified before our committee that the one chance television had to promote the educational capabilities and facilities of the Nation was to activate the UHF channels reserved for educational purposes.

I realize that a good argument can be made on the other side. I do not pretend to stand here and say that the arguments advanced on the other side are unreasonable or injudicious, or that they do not make sense. Of course they do. I am very happy that they are being made, because it should be clear from this RECORD, that we are not opening the door wide, willy-nilly, to disturb our whole system and concept of free enterprise.

However, we do have a special case, and we must weigh the factors very carefully. The members of the committee did so. There are 17 members of the committee, and the vote stood 14 to 2. That does not mean that 14 are right and 2 are wrong. There was a considered judgment of sensible men who weighed every feature and element of the bill before us. They decided that in the public interest this was the only solution. It is in that spirit that we come here.

I do not in any way criticize my good friend from New Hampshire, because the very things he is saying are the things which were the basis of interrogation conducted by the senior Senator from Rhode Island at the hearings, as the Senator well knows.

I congratulate the Senator for the fine, clear presentation he has made today. My only regret is that I cannot agree with him. I do not like to think what the consequences would be if he should win and we should lose.

Mr. COTTON. Mr. President, I thank my distinguished friend from Rhode Island for his very kindly statement and consideration, and the way in which he has reiterated the position of the vast majority of the committee, and the almost unanimous belief of members of the Commerce Committee.

I would hesitate even to take the time of the Senate to state my position, in the face of a vote of 15 to 2, were it not for the fact that I feel this conviction very deeply. I want it clearly understood that the Senator from New Hampshire is not suggesting that there is anything in the bill which is unconstitutional. I have read the statement of the now Justice White, of the Supreme Court. I do not question it in the least.

In the opinion of the Senator from New Hampshire, who is only a country lawyer, the interstate commerce clause of the Federal Constitution has been stretched so far that there is not much that the Federal Government cannot do, if the Congress chooses to do it, in dealing with all kinds of commerce. That adds to my apprehension every time the Congress takes another step in this direction.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. PASTORE. Even though an operation might be in interstate commerce, and even though the subject matter might come within the jurisdiction of the Federal Government, if the personal rights of individuals were violated or if there were a substantial denial of property rights of individuals, certainly the proposed measure would be unconstitutional; and if it were unconstitutional, the activity could not be regulated under the interstate commerce clause.

Of course, the decision rests upon whether or not the proposed law is constitutional.

The argument made by my friend from New Hampshire rests upon the determination as to whether or not property rights are being denied. If they were, the bill would be unconstitutional. If they were not, it would be constitutional; and if it were constitutional, the particular activity could be regulated.

Mr. COTTON. Mr. President, in view of the remarks of the distinguished Senator from Rhode Island, I prefer to state my own grounds for my opinion. I have just stated that it was not based upon the ground of constitutionality.

Let me be more specific. When the Supreme Court of the United States lays down such a far-reaching decision as that because a man is employed as a janitor washing the windows of a building in which there is an office rented to a concern in interstate commerce, he is engaged in interstate commerce; and when the court decides that if a lighthouse throws its rays across the boundary of a State, the company furnishing power to that lighthouse is engaged in interstate commerce, I say, without fear of too much contradiction, that the court has already stretched the interstate commerce clause of the Constitution so far that it admits all kinds of latitude. The only remaining place where restraint can be exercised is here in the Congress. It may be said that the rights of an individual may not be impinged, but I do not quite swallow that argument, even though I know it is the earnest and sincere belief of the most able Senator from Rhode Island.

I repeat that I do not question the constitutionality of the bill. But because it may be constitutional does not make it right. I do not question the argument that it might bring some good. It might mean the further installation and advancement of educational television. No Member of the Senate has been more enthusiastic and loyal in the matter of advancing educational television than has the Senator from New Hampshire. But this is not my reason for opposing the bill. I do not know that I have received a single letter from a constituent on this subject.

I happen to live in an area where television reception is practically nil. When I sit down in my living room at home and turn on my television, if I were not a subscriber to a community antenna system, I could not get a thing but a snowstorm. That would be doubly true if we should ever have a UHF station in my locality. There are not enough people in the locality to justify a UHF station, even if all of them were compelled to buy the kind of receiver which could receive it.

The bill probably does not impinge upon human rights; but what are we doing in the interest of what we think may bring about some good? We are saying to thousands—perhaps to millions of people throughout the country in various areas where the people may never even be able to afford a UHF station, and where they may not even eventually have UHF stations, that they must purchase receivers which they do not need, which they do not want, and which they cannot use.

That is exactly what we are up against. The present proposal would establish a new process in dealing with the consuming public. One may lead a horse to water, but he cannot make him drink. The mere fact that there might be built into my receiving set the capacity to receive all these stations would not cause me to use such facilities, even if I could do so, so long as a city station a few miles away had the resources and the ability to put on a fine program, and the local station put on a mediocre program. To that extent the bill would not effectuate any good.

Lastly, the testimony before the committee indicates that this system may not be necessary at all. We are progessing in the good American way. The sale of television sets which have the capacity to receive all these channels has increase in the past year by 100 percent. People are being encouraged to buy them. People are buying them in increasing numbers. If that is the case, why is not that the way to do the job, rather than to start down this road?

I have stated the sum and substance of my position. I had not intended to take as long as I have taken. So far as I am concerned, I shall not ask for a yea and nay vote. I merely wish to record my opposition to the bill for the reasons stated.

I thank the distinguished Senator from Rhode Island [Mr. PASTORE] for his very fine consideration throughout the hearings in the committee and on the floor of the Senate. It is characteristic of his unvarying courtesy and fairness. I greatly admire the work he has done on the bill. I hope that if the bill must pass, it will work out well.

LOSS OF LIBERTY SCOREBOARD

Mr. CURTIS. Mr. President, it seems appropriate that a score should be kept of the attempts that would lead to the loss of liberties of our people. Two of the dominant trends in this regard consist of the concentration of power in the Central Government and in the office of the President and increased spending which leads to inflation, chaos, and a threat of bankruptcy. These are the things that cause free people to lose their liberties.

On May 9, I expressed my grave concern over President Kennedy's demands for more Presidential powers and more moneys to be spent. I placed in the RECORD a tabulation supporting my concern which indicated that as of the end of April, the President had, in 1962, made 62 requests for more spending and 25 requests for more Presidential powers. I regret to report that this reactionary and destructive trend in Government is continuing at a steady pace. The tabulation as of May 31, 1962, shows 68 requests for money and 27 requests for Presidential powers. As previously indicated, I intend from time to time to bring these figures up to date for the information of the Congress and the country.

I ask unanimous consent that there be printed in the RECORD at this point this additional tabulation for consideration in connection with my chart placed in the RECORD May 9, 1962.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

87TH CONG., 2D SESS.

Loss of liberty scoreboard—Kennedy demands more power and more money

HIS REQUESTS

1961	More spending	Number requests	Total	1962	More power	Number requests	Total
Apr. 19	(Date of last request)		62	Apr. 19	(Date of last request)		25
	Grand total as of last Apr. 30.		62		Grand total as of last Apr. 30.		25
May 10	(21 days later)	1		May 7	(18 days later)	1	
15	(5 days later)	1		16	(9 days later)	1	
21	(6 days later)	1					
23	(2 days later)	1					
24	(1 day later)	2					
	Grand total as of last May 31.		68		Grand total as of last May 31.		27

SHAMEFUL

Mr. YOUNG of Ohio. Mr. President, a few moments ago I was shocked to read a news bulletin on the teletype outside the Chamber. The bulletin states:

HYANNIS, MASS.—Four more reverse freedom riders took up life on Cape Cod today and it appeared that the industrial city of Lowell was due for a busload of Negroes.

Richard Cornett, 31, of Little Rock, Ark., an unemployed construction worker, his wife, and their two young boys arrived here yesterday with $20. Mrs. Cornett and the boys were housed at nearby Camp Edwards. Cornett stayed here to look for work.

Meanwhile, the office of Lowell Mayor Joseph M. Downes said last night it had received a telegram from a New Orleans, La., group stating it was prepared to send a busload of Negroes to that northeastern Massachusetts city.

The telegram, sent by a group calling itself citizens group, said:

"Commemorating 100th anniversary of your famous Gen. Benjamin Butler, we are preparing to send first busload of those he liberated. Please advise when accommodations available."

Mr. President, as a student of history, I hold Gen. Ben Butler in very low esteem. He was a mere bush-league political general in the Civil War—and a very mediocre one at that. He owed his appointment as a Union general not to any military skill, experience, or knowledge, but simply because he was an effective—and at times unscrupulous—politician in Massachusetts. For political reasons Butler was given various commands by President Abraham Lincoln, until unfortunate events which afflicted the Union Army brought the facts of life home to those in authority in Washington, and generals were made generals and given commands on their merit and not because of political considerations. For a period of time in 1862 he commanded the Union force which occupied New Orleans. Many of his acts as military governor were so offensive, arbitrary, and notorious that he was removed from this command by President Lincoln in December of that year.

I preface the few remarks I have to make because I want it understood that I do not consider Gen. Benjamin Butler's memory to be greatly revered for his part in the War Between the States more than 100 years ago.

Mr. President, when a citizens group in Little Rock, Ark., or in New Orleans, La., takes action of the sort described in the news bulletin in virtually forcing or persuading destitute Negroes to leave their native States and native cities to be shipped to various cities in the North, whether the city be Hyannis or Lowell, Mass., or Cleveland, Ohio, or any city whatever, it is a shocking and shameful performance.

Negro families are supplied with one-way tickets and $5 for each person. They are, of course, told not to come back. The destitute unemployed person is a destitute and unfortunate individual whether he lives in New Orleans or Cleveland, and whether he is black or white.

In this country unemployment is a great moral wrong. It is unfortunate that in New Orleans and in Little Rock, Ark., and perhaps other places—I hope there are no other places—members of white citizens' councils evidence that they are devoid of character and of any feeling for human suffering. Their action may call attention rather forcibly to the misfortune and the ugly facts that Negroes in some areas of the Deep South are being deprived of their rights as American citizens and as human beings. This is really a sickening spectacle, and public officials of New Orleans demonstrate a shameful lack of judgment, good taste, humanity, and decency in permitting Negroes born and reared in that area to be exploited and mistreated in such a shameful manner.

AMENDMENT OF THE FEDERAL COMMUNICATIONS ACT OF 1934

The Senate resumed the consideration of the bill (H.R. 8031) to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulator authority over television receiving apparatus.

Mr. WILLIAMS of New Jersey. Mr. President, many arguments have been given on the national need for the bill now under discussion. We have been told by Mr. Newton Minow, Chairman of the Federal Communications Commission, that the bill would open up great new opportunities for local television—particularly local educational television. He has explained that we now have 1,544 ultra-high-frequency stations in the United States, and that only 103 UHF stations are now on the air. In other words, we are using only 7 percent of the potential UHF assignments we have in this Nation.

Why such hesitant use of a great resource? One of the major reasons is simply that our present television receivers are not, for the most part, equipped to receive UHF stations. As a matter of fact only 6 percent of the sets made in 1961 could receive UHF. And yet, as we are assured by Mr. Minow, all sets could receive all channels by the addition of a $25 tuner in each set. Surely this is a modest cost for an improvement that would help us develop local television offerings for local television receiving areas. At last we would no longer depend so largely on the networks for entertainment and service programs; we could hope for truly local service.

As I have said, there is a great national need for a bill that would require all new television receivers in interstate commerce to receive the full spectrum of 82 channels. You have already heard the national arguments. My purpose today is to describe the potential impact of this bill in my own home State. New Jersey is worthy of such note, I believe, because it stands uniquely in need of such a bill. Its present situation is practically a case study of the need for this bill.

At the moment, New Jersey has not one single channel it can call its own. Fortunately, channel 13 will return to the air this fall under the sponsorship of the Educational Television for the Metropolitan Area, Inc. According to terms of the agreement, New Jersey issues will receive an appropriate share of air time. But important as this single project is, it can serve only some of the needs of a great State.

At present, New Jersey is served only by channels of Philadelphia and New York City. Programmers for these channels often have presented public service programs of great interest to New Jersey listeners. But, in serving the needs of two great metropolitan areas, often they must overlook or give limited time to local issues and local educational needs.

This fact has already been clearly realized in the Garden State. The New Jersey Educational Television Corp. has already prepared plans for the establishment of an interconnected network of four high-power UHF educational television stations, plus four translator or satellite stations. Educational television coverage would thus be assured for New Jersey. In addition, the New Jersey Television Broadcasting Corp. has filed an application with the FCC for an UHF station to broadcast from Newark.

Still greater impetus to these and possibly to other such efforts will be given by final State action on legislation to permit the State to take advantage of the $32 million Federal aid bill passed by Congress this year. The State Senate is expected to act on the bill in the fall.

With so many plans of action afoot, it is significant that the FCC table of assignments lists 14 UHF sites in New Jersey. I will list them: Andover; Asbury Park; Atlantic City, two; Bridgeton; Camden; Freehold; Hammonton; Mont-

clair; New Brunswick, two; Paterson; Trenton; and Wildwood. Here is a great potential for service of many kinds, but what good will these channels be without television sets that can receive them?

This is not a rhetorical question. It must be answered if States are to make the most of our new Federal aid program and if individual States like New Jersey are to make good use of proposed educational efforts. It is clear that the all-channels bill will hasten the evolution of educational television and good local commercial television. For the first time, viewers would have a real choice. They could decide to spend some time with the networks and national public service or entertainment programs. Or they could decide to give some of their attention to the more local channels. The consumer could thus decide, if only he is given the opportunity.

Mr. HRUSKA. Mr. President, it was with great interest that I listened to the discussion of the constitutionality of the measure that is before us, H.R. 8031. I have no illusions about the subject. I am sure that with the very able legal opinions rendered by John L. FitzGerald, as general counsel of the Federal Communications Commission, and also by Byron R. White, then Deputy Attorney General, the area has been covered quite thoroughly.

I do not know that I quite agree with their conclusions. I do not know that I particularly subscribe to that kind of constitutional interpretation. The fact is, however, that the Supreme Court has spoken many times on this subject. Therefore, I suppose there is ample precedent for what Mr. FitzGerald has stated in his opinion:

> It has been sometimes said that the Congress is free to exclude from interstate commerce articles whose use has been determined to be injurious to the public health, welfare, or morals, but it seems clear that in context these terms encompass injury or hindrance to the effectation of any public policy adopted by the Congress.

When that is said, and when it is buttressed by legal precedent and opinions, I must subscribe to the view suggested by the Senator from New Hampshire that there is scarcely anything that is not impressed by commerce so it can be treated legislatively, as is sought to be done in the bill before us.

Without subscribing to the constitutional philosophy which molds these decisions, I should like to say that the constitutionality of a measure is but one thing. Whether it is good policy to broaden that category to include other goods and equipment is quite another matter.

I have concluded, and I am convinced, that it is not desirable that it be done.

The plain fact is that UHF sets are at the stage where there is no substantial market for them. Some UHF stations have tried to succeed, but they are now dark. The explanation for this condition is set forth in the majority report:

> This goal would be achieved by eliminating the basic problem which lies at the heart of the UHF-VHF dilemma—the relative scarcity of television receivers in the United States which are capable of receiving the signals of UHF stations.

So the majority of the Commerce Committee say, in effect, "Have no market. Want a law."

They want a market and they want a law to give them the market. Those are the real implications and obvious designs.

I have before me an editorial to which the Senator from New Hampshire has referred. He read a part of it, and I should like to read another paragraph. The part he read reads:

> In other words, if the law of supply and demand doesn't work as fast as Washington thinks it should, pass a law and hurry it up.

The editorial continues:

> The same argument could be applied to color TV. Set sales have been relatively slow because the cost of the sets was high, and color programing has developed gradually. Programing came along slowly because of cost and the lack of demand resulting from the scarcity of receivers.
>
> If Congress can force the manufacturers to make all-channel sets, cannot it also force them to produce color sets? And then, by law, tell the stations what programs to present? Or decree that all radio sets must be both AM and FM? By this law, if the Senate approves, Congress also, in effect, is compelling the TV viewer to buy an all-channel set whether he wants it or not.

Mr. President, we are dealing with a natural resource in this case. About a week or 10 days ago we dealt with another kind of natural resource, namely, the products of our great wheatfields. In my part of the country we raise a great deal of wheat. Much of that wheat is placed in storage in Texas and elsewhere. It is wheat that we do not use. It is wheat for which we cannot find a market.

Shall we say, "Have no market. Want a law?"

It is probably true that people prefer a loaf of bread that weighs 16 ounces. In some States there is a law which provides that a loaf of bread must weigh at least 1 full pound. We might propose a law which, in the interest of a great natural resource, however, would provide that a loaf of bread shall not weigh less than 2 pounds, and by that means increase the consumption of bread.

I subscribe to the classic idea that one can lead a horse to water, but one cannot make the horse drink. I also subscribe to the idea that we can offer a customer an all-channel TV set, but we cannot make him buy it.

I suppose we could force the baking of a 2-pound loaf of bread, but of course we would not compel its purchase by the public.

Why not? The language of the legal opinion to which I have referred, only states that Congress has a right to "exclude from interstate commerce articles whose use has been determined to be injurious to the public health, welfare, or morals."

Therefore Congress could recite that it is our policy to induce greater consumption of wheat products; hence bread will hereafter be made in 2-pound loaves. But this still would not necessarily sell more bread.

Perhaps someone will suggest that this is a farfetched or facetious argument.

The fact is that we have a situation which some people think requires expedient treatment. They cannot wait for the Nation to go forward in an orderly fashion. Expediency must be resorted to. Hence the proposal of the kind that is before us now, reflecting as it does the grievous doctrine that governments know better than the consumer does what is good for him and what he ought to have. The dictates of the market are discarded and the traditional methods for fashioning consumer goods are rashly abandoned.

Out in our areas of the Middle West, I know it to be true that, regardless of the number of UHF and VHF stations, there will be literally millions of users who will not be able to enjoy a UHF set. That is the plain fact. It cannot be denied. For those who can use such a set, there will be a choice. For many others there will be no choice. Their decision will be made for them. And they will have to help finance the economic success of the UHF sets. They will have to pay anywhere from $12.95 up to $50 or $60, depending upon the elaborateness of the original set to which the converter is added, or depending upon the set that they bought with the UHF and VHF reception facilities.

That is at the bottom of the proposition. Many thousands of people in Nebraska, which I have the privilege to represent, will find themselves in this situation if and when the bill becomes law.

Inasmuch as a yea-and-nay vote has not been asked for, I should like to say for the record—not only for this time and for the people whom I represent, but also as a future reference—that a danger flag ought to be attached to this legislation as there is a definite possibility that we shall be confronted with another bill, of which it will be said, "Yes, but this relates to a natural resource. This is different. It will confer great benefits; therefore it should be passed."

So we will continue to invade further the realm to which the Senator from New Hampshire has so eloquently referred, and which I have tried to describe in my own remarks.

Mr. COTTON. Mr. President, will the Senator from Nebraska yield?

Mr. HRUSKA. I yield.

Mr. COTTON. I compliment the Senator upon his statement. I should like to ask him a question. I have great respect for the Senator's legal ability and experience.

Is it not true that the decisions of the Supreme Court have now gone so far as to hold, with respect to the interstate commerce clause, that Congress can enact almost anything it desires to enact, as a matter of public policy; and that the only place now where the rights of an individual can be protected is in this Chamber and in the Chamber of the other body? It is no longer true that rights can be protected in the courts, as against congressional action.

Mr. HRUSKA. There is no question that that is so. The only protection a citizen has against ill-considered action

of this kind lies in the exercise of self-restraint on the part of Congress.

The Senator may remember, in the consideration of amendments to the Minimum Wage Act, a discussion about a bootblack in a hotel located in my home city, who was held to be engaged, by definition, in interstate commerce. Why? Because the shoe polish which he used was manufactured in Indiana or Ohio. Because the bootblack used that shoe polish, he was engaged in interstate commerce, although the person who wore the shoes might not cross the State line, by any stretch of the imagination, until long after the shoe polish had worn off.

Even if the shoe polish happened to have been made in Nebraska, the bootblack would still have been engaged in interstate commerce because the cloth with which he polished the shoes might have been made in Alabama or South Carolina, or perhaps in the State of my very gracious and congenial friend from Rhode Island [Mr. PASTORE].

So the Senator from New Hampshire is correct. This is the one forum in which such protection can be afforded to citizens who find themselves in such a position.

Mr. President, I yield the floor.

Mr. DIRKSEN. Mr. President, apropos of what the distinguished Senator from Nebraska has said, there is on record an interesting case under the Fair Labor Standards Act with respect to a building in Philadelphia in which were employed quite a number of garment workers and garment makers whose products entered interstate commerce. The question was whether the charwomen who worked in that building would also be considered, by virtue of the operations in progress there under the Fair Labor Standards Act, as being a part of the stream of commerce. In my judgment, the reasoning in that case, both in the Federal district court and in the Circuit Court of Appeals, was one of the most tortuous and amazing pieces of circumlocution I have ever read.

I think of one other case. The Wrightwood Dairy, a small dairy in northern Illinois, never bought or sold a pint of milk in interstate commerce and resisted the agricultural marketing order, but the court held that the milk which that dairy bought and sold might possibly enter the stream of commerce and therefore become competitive with other milk which might have, conceivably, come from Indiana or Wisconsin. Therefore, because that milk might enter into the stream of commerce, it was held to be in interstate commerce. Talk about twisted reasoning: that case is in a class by itself.

But I did not rise to make those comments; I rose to offer the amendment which I now submit.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill add the following new section:

SEC. 3. Paragraph (c) of section 303 of the Communications Act of 1934 is amended by inserting immediately before the semicolon at the end thereof the following: ", but nothing in this Act shall authorize the Commission to substitute an assignment outside the frequencey band between 54 megacycles and 216 megacycles for one within such band in any community or otherwise to delete an assignment made within such band on or prior to September 1, 1961 to any community if the purpose of such change is to limit such community to assignments of television frequencies outside such band".

Amend the title so as to read: An Act to amend the Commuications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus, to place certain limitations on the authority of the Commission to delete previously assigned VHF television channels, and for other purposes.

Mr. DIRKSEN. Mr. President, I should say, in all frankness, that I am never happy about the thesis of the approach in a bill of this kind, but I am familiar with all the circumstances which gave rise finally to the bill. In pursuance of what basis I had, I went before the committee and testified.

As everyone knows, there was a problem in the field of deintermixture. Frankly, it involved two major television stations in Illinois and one immediately across the line in Wisconsin. Obviously, I had an interest in the situation.

In the case of the station at Champaign, Ill., it would appear that if it were deintermixed, probably an estimated 600,000 persons would have been left in a very cloudy area and would not have received the kind of television signal to which they were entitled. So out of those many circumstances finally came a bill which passed the House by a substantial majority.

The amendment I offer would prohibit the Federal Communications Commission from putting into effect any program for the deintermixture of television stations without the express and affirmative consent of Congress. This would be done by prohibiting deintermixture and requiring a future amendment to the law if any deintermixture were to be put into effect. This involves the question of policy. Obviously, Congress has an interest in the situation. If it were not so, then perhaps the creature, namely, the FCC, would become the creature in power, and therefore its creator.

There would be a situation not unlike that which was set up by George Bernard Shaw in his celebrated play "Pygmalion," in which the creature transcended its power and influence, and therefore becomes the creative hand itself.

The basic issue is this: Whether all-channel television legislation would advance the public interest or not depends upon the purpose of the legislation and the use to which it is put.

The bill will be beneficial to the public if its purpose and use is to expand the television service available to the American public by increasing the use of the UHF band without in any way impairing the service rendered by stations using the VHF band.

I should say, in that connection, since we are dealing with the band and the spectrum through which this medium will probably be used, that a Federal interest attaches to the bill and might influence its future.

There is another side to the coin: The proposed legislation would be contrary to the public interest if its purpose or use were to shift VHF television stations to the UHF band.

This puts the question of deintermixture squarely before us, and we cannot properly act on the legislation without considering it. Mr. President, as everyone knows, "deintermixture" is a polysyllabic term referring to the substitution of ultrahigh frequency or UHF channels for very high frequency or VHF channels in selected communities, for the purpose of creating islands of UHF amid the nationwide VHF television service.

If the American people are to get the greatest possible service out of the Nation's television system, they must have both VHF and UHF, side-by-side throughout the country—not deintermixture.

Yet the Federal Communications Commission itself initially injected the deintermixture idea into the all-channel set legislation last summer when, in Docket No. 14229, it referred to this legislation as a means of "mitigating" the effect of a shift to all UHF operations in part or all of the Nation.

Deintermixture is objectionable because it results in a reduction of TV service. For instance, as I indicated before the committee, proposals to delete a VHF channel from Champaign, Ill., and substitute a UHF channel would deprive an estimated 600,000 persons of the television service which they now enjoy.

For these reasons, there is no need to beat around the bush, or to try to evade the issue. My amendment will make the purpose and the intent of the legislation crystal-clear. It would prohibit deintermixture and insure the VHF–UHF, side-by-side approach which will assure the greatest amount of television service to the Nation.

Let me clarify what the amendment would not do. It would not stop the FCC from taking a VHF channel away from one licensee and giving it to another in the same community if such a move would be in the public interest. It would not stop the Commission from moving a station from one community to another. It would not stop the Commission from adding a new VHF channel to a community.

So, Mr. President, while the amendment would restrict the power of the FCC, the restriction would be extremely narrow in application. It would neither make the FCC powerless in allocating frequencies nor put the Congress in the business of assigning frequencies.

There is nothing unusual or inappropriate about the amendment. The FCC is the delegate of the Congress in broadcasting matters, and the Congress is free to direct the FCC to do this, or not to do that. And Congress has already done this in a number of instances. It has told the Commission not to license aliens; and by resolution, not by law, it even has told the Commission not to permit radio stations to use more than 50,000 watts of power. Complete instructions from the Congress are especially appropriate in the case of this

legislation, because it cannot be adequately considered without facing up the question of deintermixture.

Therefore, the amendment simply seeks to protect the public against the loss of television service which deintermixture would inevitably bring. I hope the amendment will be adopted.

Mr. President, that is the whole story. This is a case of making the legislative record and setting down in the law itself a restriction, so that this very difficult and baffling problem will not be recurring from time to time; but if it does, then nothing will be done about it until the Congress has affirmatively expressed its views on the subject.

Mr. PASTORE. Mr. President, the problem which has been raised by the distinguished minority leader is one which caused the committee considerable difficulty at the time when it was considering this measure. As a matter of fact, three or four Members of the House of Representatives, as well as the distinguished minority leader of the Senate, appeared before our committee; and and, as I recall, at on time I said to the members of the committee that this was one phase of the bill which might imperil the passage of the bill, if we did not do something about it. It gave us a great amount of concern; and we did not want this to be a "foot in the door" to promote a policy of intermixture or deintermixture, whatever the case might be. As a matter of fact, the same problem was raised before the House of Representatives.

Finally, by the action of the Commission, with the exception of one member, I believe, Mr. Lee, the Commission assured us; and this is the Commission's policy in regard to deintermixture. It is set forth in its letter dated March 16, 1962. I shall not read the entire letter, because it is quite long; but it is on the point I am making, and I ask unanimous consent that the entire letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL COMMUNICATIONS COMMISSION,
Washington, D.C., March 16, 1962.

Hon. JOHN O. PASTORE,
Chairman, Subcommittee on Communications, Committee on Commerce, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: During the hearings before your committee, you raised the question of the relationship between this legislation and the Commission proceedings proposing to deintermix areas to all UHF. Following our hearings before your committee we testified before the House Commerce Committee. During the House hearings Chairman HARRIS asked us for written responses to four specific questions. It was agreed that the Commission would supply its answers within a week after the House hearings closed. This time ends today and we have sent to Chairman HARRIS our response.

The Commission's judgment (Commissioner Lee dissenting) is that if the all-channel receiver TV legislation is enacted by this Congress, it would be inappropriate, in the light of this important new development, to proceed with the eight deintermixture proceedings initiated on July 27, 1961, and that, on the contrary, a sufficient period of time should be allowed to indicate whether the all-channel receiver authority would in fact achieve the Commission's overall allocations goals. We have reached this judgment on the basis of a number of considerations.

As we made clear in our testimony, we do not conceive of selective deintermixture as a general or long-range solution for the television allocations problem. Rather, we believe that we will need a system using both UHF and VHF channels, and that all-channel receiver legislation is the basic and essential key to that long-range goal. For with this legislation, time would begin to run in favor of UHF development. Teh UHF operator (both commercial and educational) could look forward to UHF receiver saturation not only in his home city but in the surrounding rural area as well, and could expect improvement in the quality of the UHF portion of the receivers in the hands of the public. With increased use of UHF, and increased incentive for both equipment manufacturers and station operators to exploit its maximum potential, there is reason to believe that several of the problems which presently restrict the coverage of UHF stations would be overcome. In short, as we stated in our notice of proposed rulemaking in docket No. 14229, the all-channel receiver is "critically important" because it is directed squarely to "the root problem of receiver incompatibility." It is our hope and belief that the achievement of set compatibility will make possible a satisfactory system of intermixed assignments, and immeasurably promote educational TV. It will enhance the development of three fully competitive network services and perhaps eventually of still further network service. These then are the reasons for our judgment on this important matter.

The Commission has made the further judgment that any agency moratorium on deintermixture to all UHF would not be applicable to the deintermixture proceedings in (1) Springfield, Ill. (docket No. 14267), (2) Peoria, Ill. (docket No. 11749), (3) Bakersfield, Calif. (docket No. 13608), and (4) Evansville, Ind. (docket No. 11757). The reasons for this judgment are set out in the attached appendix.

Finally, the Commission considered the proposal of a statutory prohibition against any Commission deintermixture action (to all UHF) which would continue until ended by action of both Houses of Congress. The Commission does not favor this approach. For, it means, in effect, that if the all-channel legislation proves inadequate, and the Commission feels that some form of deintermixture is desirable in order to achieve the purposes of the Communications Act (e.g., sec. 1, 303(g)), it would have to seek the equivalent of an amendment to the act. In our opinion, such a statutory scheme would render administrative policy inflexible and ineffective. We strongly urge that the Commission not be deprived, in this area, of the broad discretion which Congress gave it to meet changing problems and circumstances. We believe that there is no reason for not following the established policy of over a quarter of a century of permitting Commission action under the public interest standard, subject to congressional and judicial review.

By direction of the Commission.[1]

NEWTON N. MINOW, *Chairman.*

[1] Because of his former connection (prior to nomination as Commissioner) as engineering consultant in regard to the deintermixture of Springfield and Peoria, Ill., Commissioner T. A. M. Craven did not participate in the consideration of the Commission's comments in this letter with respect to those areas. Otherwise, Commissioner Craven concurs with the views of the Commission majority.

APPLICABILITY OF ANY DEINTERMIXTURE MORATORIUM TO THE SPRINGFIELD, ILL., PEORIA, BAKERSFIELD, AND EVANSVILLE DEINTERMIXTURE PROCEEDINGS

This appendix deals with the applicability of any moratorium on Commission deintermixture action (to all-UHF operation) to the deintermixture proceedings in (1) Springfield, Ill. (docket No. 14267), (2) Peoria, Ill. (docket No. 11749), (3) Bakersfield, Calif. (docket No. 13608), and (4) Evansville, Ind. (docket No. 11757). For reasons developed within, the Commission believes that any such moratorium should be inapplicable to these proceedings.

1. Springfield, Ill., deintermixture proceeding (docket No. 14267): On March 1, 1957, the Commission issued an order in the rulemaking proceeding in docket No. 11747, which removed channel 2 from Springfield, Ill., and added it at St. Louis, Mo., and Terre Haute, Ind., and further assigned UHF channels 26 and 36 to Springfield (22 F.C.C. 318). The Commission's order also modified the existing authority of Signal Hill Telecasting Corp., the then licensee of channel 36 in St. Louis, to provide for temporary operation on channel 2. This order was affirmed by the court of appeals (*Sangamon Valley Television Corp.* v. *U.S.*, 255 F. 2d 191 (C.A.D.C.)), but the Supreme Court remanded the case to the court of appeals for consideration of certain ex parte activities which had occurred during the rulemaking proceeding before the Commission (356 U.S. 49). The court of appeals remanded the case to the Commission for a determination of the nature and source of all ex parte pleas (269 F. 2d 221). The Commission, after ascertaining such pleas, proposed to give interested parties an opportunity to respond to them but not to comment on matters occurring subsequent to March 1, 1957.

On appeal, the Department of Justice took issue with this latter ruling, urging that the Commission must consider post–1957 facts "if it is to reach a proper rulemaking decision as to where the VHF channel 2 should be allocated for the future" (brief, p. 8). The Commission, in its brief, pointed out that "consideration of subsequent events might well have to include existing service to the public in St. Louis * * *" (p. 18). The court agreed with the Department and ordered the Commission "to conduct an entirely new proceeding," based on the facts as they now exist; it further stated that the existing service on channel 2 in St. Louis may be continued by the Commission during this new proceeding (294 F. 2d 742). On September 7, 1961, the Commission instituted the new proceeding (docket 14267).

We have set out this lengthy history to show that the Springfield, Ill., deintermixture proceeding does not stand on the same footing as the eight deintermixture proceedings initiated last July. If a general moratorium prevents deintermixture in these proceedings, it rightly or wrongly maintains the status quo in these areas. But a moratorium precluding deintermixture in Springfield would, as a practical matter, upset the status quo. For, as the court recognized, the facts are that since 1957 Springfield has been all UHF and channel 2 has been serving the St. Louis area. Without any consideration of the merits of the matter, the moratorium thus would automatically withdraw channel 2 from service in St. Louis (and from assignment to Terre Haute where, however, it has been the subject of a comparative hearing) and call for VHF operation in Springfield. We think that such an automatic application of a general moratorium is unsound and that the matter rather should be left to the Commission's judgment. And see section 402(h), Communications Act. It may be that in spite of the dislocation we have described, the

Commission might conclude in docket 14267 that the public interest would not be served by ordering deintermixture of Springfield. But certainly that decision is one calling for a judgment on the basis of all the public interest factors—and not for automatic application of any general deintermixture moratorium. This conclusion is buttressed by the domino effect of a moratorium precluding deintermixture of Springfield on the Peoria, Ill., deintermixture case, to which we now turn.

2. Peoria, Ill., deintermixture case (docket No. 11749). The Commission in a report and order issued March 1, 1957, deintermixed the Peoria area, substituting a UHF channel for channel 8 which was reassigned to the Davenport-Rock Island-Moline metropolitan area in order to afford "a third VHF outlet in this major market" (docket 11749, 22 F.C.C. 342).[1] On appeal, the court of appeals affirmed the Commission's order (*WIRL Television Co.* v. *U.S.*, 253 F. 2d 863 (C.A.D.C.)); the case was, however, subsequently remanded to the Commission, not because of any error or because of ex parte factors, but because the Commission's decision was geared, to some extent, to the Springfield deintermixture proceeding[2] and accordingly might be affected by a different decision in that proceeding. Since the Commission is to reconsider the Springfield matter, the rulemaking with respect to Peoria also was remanded to the Commission, so that it could be reconsidered, if necessary, in the light of the new Springfield decision. (See *WIRL Television Co.* v. *U.S.*, 274 F. 2d 83 (C.A.D.C.).)

This means that if a general moratorium causes the Commission to reject deintermixture of Springfield, the Peoria deintermixture action would have to be reconsidered in the light of this new factor. But the same moratorium would prevent the Commission from reevaluating and making a new judgment as to whether Peoria should be deintermixed. The actual status quo in Peoria would thus be disturbed without any consideration of the merits of the case. It may be that it should be so disturbed. But it may also be that the Commission would not regard a reversal of the Springfield picture—referred to only in a footnote in the Commission's Peoria decision (see footnote 2, supra)—as requiring a different result. Here again, the matter is obviously one for judgment—not rigidity.

3. Bakersfield, Calif. (docket No. 13608): On March 27, 1961, the Commission issued an order deintermixing Bakersfield by substituting UHF 23 channel for channel 10, effective December 1, 1962, or such earlier date as station KERO–TV may cease operation on channel 10 at Bakersfield (21 Pike & Fischer, R.R. 1549). This is final Commission action, with only "formal codification to be accomplished by subsequent order" (21 Pike & Fischer, R.R. 1573). As such, it is appealable and now pending before the court of appeals (*Transcontinent Television Corps.* v. *U.S.*, Case No. 16,541, C.A.D.C.) Obviously, any moratorium on deintermixture would and should be inapplicable to this final Commission action.

If, however, the case were remanded to the Commission for any reason, the question would arise whether Commission reconsideration should be precluded by a general moratorium. We believe that it should not. For, reconsideration in such circumstances stands on a different ground than a new proposal for deintermixture in some area. (Cf. Sec. 402(h) of the act.) Even more important, a moratorium affecting Bakersfield would leave Commission action in this general area (the San Joaquin Valley) in the state of being half complete, half incomplete, and would have seriously adverse consequences on the development of television in the San Joaquin Valley and particularly in the Fresno area. In Fresno, deintermixture action by the Commission is complete, and Fresno station KFRE–TV has shifted from operation on VHF channel 12 to UHF operation. (See FCC 60–814, 60–279.) One of the important aims in the Bakersfield case was to complement the Fresno action. As the Commission stated (21 Pike & Fischer, R.R. at pp. 1554–1556):

"7. The potential for the growth and development of multiple-effective local outlets and services in the San Joaquin Valley would be much greater if all television assignments at Bakersfield were in the UHF band. With Bakersfield and Fresno, the two largest expanding population centers of the valley located about 105 miles from each other, and with their trading and market areas extending into the valley between them, where also are located a number of smaller cities where the chances for the establishment of local television outlets are promising, it is inevitable, under the favorable terrain and propagation conditions in the valley, that there is and will be an overlapping of services and a sharing of a common audience by all stations operating at Fresno and Bakersfield or in cities between them. It has been demonstrated that the relatively flat valley floor presents unusually favorable conditions for propagation of television signals. Marietta itself pointed out in comments filed in docket No. 11759 that the 'unique character of the extremely flat and quite treeless San Joaquin Valley, which permits signals to be rolled down the corridor from Bakersfield toward Fresno and from Fresno toward Bakersfield in the manner of a bowling ball, exceeding substantially the normal propagation distances in other areas, is a phenomenon which cannot be ignored.' By virtue of these circumstances, it is essential, we believe, that we make conditions conducive throughout the valley for the growth and successful operation of local outlets by providing an equal opportunity for all valley stations to compete effectively with compatible facilities.

* * * * *

"10. With our action removing VHF channel 12 from Fresno and shifting station KFRE–TV on that channel to UHF operation, all television assignments and stations in the valley are now in the UHF band with the exception of station KERO–TV on channel 10 at Bakersfield. At the present time only three stations are operating at Fresno and three at Bakersfield, but there is demand and promise that additional outlets will soon be established at Fresno, and at Tulare, Visalia, and Hanford, which are located in the valley between Fresno and Bakersfield. [Footnote omitted.] The predicted grade B signal of the VHF channel 10 station at Bakersfield (KERO–TV) extends well beyond Tulare, Visalia, and Hanford where local UHF stations are now contemplated, penetrates the service areas of the Fresno UHF stations, and reaches to within 23 miles of Fresno. There can be no doubt, however, that under the excellent propagation conditions in the valley, its signal penetrates even farther north in the valley. The Nielsen coverage survey for the spring of 1958 indicates that station KERO–TV at Bakersfield reaches and is listened to in homes in Madera County, which is north of Fresno County and principally served by Fresno stations. The 1960 American Research Bureau, Inc., television coverage study of California counties and stations indicates that about 96 percent of the television homes in both Tulare and Kings Counties (Tulare and Visalia are in Tulare County and Hanford in Kings County) and about 58 percent of the TV homes in Fresno County are able to receive station KERO–TV and that station KERO–TV's net weekly circulation (number of TV homes viewing station KERO–TV at least once a week) in Tulare County is about 93 percent, in Kings County about 83 percent, and in Fresno County about 30 percent.

"11. Although our removal of the single VHF outlet at Fresno puts all Fresno stations on a comparable competitive footing which we believe will increase the potential for the growth of healthy competitive services in the Fresno area, we cannot agree with Marietta that deintermixture of the Fresno market can be fully effective notwithstanding its VHF station at Bakersfield. With a VHF outlet at Fresno no longer dominating the Fresno market, there is considerable merit, we believe, to the claim of proponents for UHF deintermixture of Bakersfield that station KERO–TV, as the only VHF station in the valley, would be in a position of conspicous and unjustifiable dominance over all the competing UHF stations in the valley. This factor and the extent to which station KERO–TV's signal now penetrates beyond cities between Bakersfield and Fresno where the establishment of additional local UHF outlets is the most promising and into the service areas of the Fresno stations convincingly indicate that the presence of this VHF station in the adjacent Bakersfield market constitutes a significant deterrent to effective and comparable UHF competition in the Fresno market area and to the establishment of effective and beneficial new services, particularly in the smaller cities of the valley. The deterrent would be compounded if Bakersfield were made principally all VHF by the addition of two more VHF outlets, as Marietta suggests, and three Bakersfield VHF stations were to provide service in this now all-UHF area. Complete deintermixture of the entire San Joaquin Valley to UHF is, in our judgment, required for full development and expansion of effective competitive television service throughout the valley."

On this ground also, therefore, Bakersfield should not come within any general deintermixture moratorium but rather should be left to Commission judgment, in the event that reconsideration is called for at some future date.

4. The Evansville deintermixture proceeding (docket No. 11757): On March 1, 1957, the Commission issued a report stating its "judgment that amendment of the table of assignments for television broadcast stations (sec. 3.606(b) of the Commission's rules) by shifting channel 7 from Evansville, Ind., to Louisville, Ky.; assigning channel 31 to Evansville; substituting channel 78 for channel 31 in Tell City, Ind.; shifting channel 9 from Hatfield, Ind., to Evansville where the channel is to be reserved for noncommercial educational use; and by unreserving channel 56 and shifting it from Evansville to Owensboro, Ky., would promote the public interest, convenience, and necessity." The Commission effected the changes as to channel 9 but

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[1] This channel assignment to Davenport-Rock Island-Moline has been the subject of a comparative hearing, which is not yet completed; instructions as to the final decision were announced on June 29, 1961, Community Telecasting Corp., docket No. 12501.

[2] In a footnote in the Peoria report, the Commission stated (22 F.C.C. at 352, n. 15): "Our action herein moreover, comports with our decision in the Springfield deintermixture proceeding (docket No. 11747). In that case we have concluded that the public interest would be served by deleting channel 2 from Springfield. A station on this frequency in Springfield would have provided VHF service to parts of the service areas of the UHF stations in Peoria; and conversely, a station on channel 8 in Peoria would provide VHF service to portions of the area that will be served by UHF stations in the Springfield-Decatur area, which the Commission believes should be all UHF."

not those involving channel 7. Because there was an outstanding authorization for operation of station WTVW on channel 7 in Evansville, the Commission instituted show-cause proceedings to modify station WTVW's permit to specify operation on channel 31.

The Commission's action shifting channel 9 from Hatfield to Evansville (for noncommercial educational use) was sustained upon review in court (*Owensboro-on-the-Air, Inc.* v. *U.S.*, 262 F. 2d 702 (C.A.D.C.)). As to the show-cause proceeding, the examiner on July 20, 1961, issued an initial decision recommending that channel 7 be deleted from Evansville and reassigned to Louisville and that WVTW's permit be modified to specify operation on UHF channel 31 (FCC 61D–113). Oral argument on the exceptions to the initial decision will be heard by the Commission on March 29.

Again, we think it apparent that no general moratorium should be applicable to the Evansville area situation. Half the Commission's action in this area is final (i.e., shifting channel 9 to noncommercial operation); the other half—whether channel 7 should be shifted to Louisville to complete the deintermixture of the area and provide Louisville with a third VHF facility—is nearing final decision after a lengthy adjudicatory proceeding. Clearly the judgment as to whether the public interest would be served by such action should be made by the Commission upon the basis of the voluminous adjudicatory record compiled—and not by automatic application of a general moratorium.

Significantly, Senator CAPEHART, who opposed deintermixture of Evansville in testimony given before the examiner (par. 95, initial decision, FCC 61D–113), concurs in this conclusion. For, while supporting the provision of H.R. 9267 (the Roberts bill) precluding Commission deintermixture, he further stated:

"So that there can be no misunderstanding. I do not take this position in connection with any case that is under adjudication before the FCC. Specifically, my views do not apply to the situation in Evansville where channel 7 has been earmarked for a move for a very long time. The legislative decision in this case was made some years ago. What concerns me is future legislation, or rulemaking, decisions. I think it is proper for me to express my views on such matters, while I should be reluctant to do so as to cases under adjudication" (statement before Subcommittee on Communications, Senate Commerce Committee).

Mr. PASTORE. Mr. President, the letter was written to me, and it was concurred in by Commissioners Minow, Hyde, Bartley, Craven, Ford, and Cross.

I read now from the committee's report:

In that letter the Commission represented its judgment that a combined VHF–UHF system is needed; that if all-channel receiver legislation is enacted by this Congress the Commission would not proceed with the eight deintermixture proceedings initiated by it on July 27, 1961; and that a sufficient period of time should be allowed to indicate whether the all-channel television receiver legislation would, in fact, achieve the Commission's overall allocations goal of a satisfactory system of intermixed UHF–VHF assignments.

The following is the important point, and I should like to call it particularly to the attention of all Members of the Senate:

The FCC also represented that it would make periodic reports to Congress and that before it undertook any further action with respect to deintermixture, it would advise the Congress of its plan and give the committees of Congress an appropriate period of time to consider such plans.

In view of that assurance, the committee wrote this right into the report:

Your committee considers these representations by the Commission to be of paramount importance and has taken action on this legsislation in specific reliance on them.

Mr. President, knowing the Senator from Illinois, the distinguished minority leader, as well as I do, I know that he would ask the question, "If it is all right to put that into the report, why not put it into the law?" That is a logical question, and I put that question up to the Commission. Its answer was that that might be a little too restrictive, that it is difficult to state what isolated situation might arise in the future, and that the Commission should not be too much shackled.

In view of the report, which was made not only to the Senate, but also to the House of Representatives, I believe we have here sufficient assurances upon which we can rely.

I understand the problem confronting the Senator from Illinois. I hope the Commission would never attempt to violate this assurance which it gave us; and I respectfully ask the Senator from Illinois not to press for the adoption of his amendment at this time.

Mr. DIRKSEN. Mr. President, if it were given to me, I certainly would fashion some language, directed to the Commission, couched in terms different from that which came to the Commission from the House of Representatives, because I would not permit the creature to tell the creator of the Commission what it could do, and make it a contingency, so to speak; for, when all is said and done, the affirmative action should be taken on this side—in the National Legislature.

But I say to the distinguished Senator from Rhode Island that, on the basis of these assurances, I shall withdraw the amendment—much as I would prefer to see this nailed down in the law. But I shall do so on a sort of probationary basis: I shall see what will happen, and then shall go back to this day, in the RECORD—which will be easy to remember, because this is June 14, Flag Day; and 185 years ago today the Congress passed a resolution prescribing the general character of the flag which is our national symbol.

So I can easily pick out the CONGRESSIONAL RECORD for June 14, 1962, and can say, "Let us go back and see what the CONGRESSIONAL RECORD says," if the Commission is going to bring up, willy-nilly, this business of deintermixture and make it applicable.

The Senator from Rhode Island knows that when I appeared at the committee hearing, I said that any such legislation should contain a grandfather clause. If a television station invests $1 million or $2 million in providing the best programs, and if then by arbitrary action a commission created by the Congress were permitted to reach into the entire spectrum and to pick out nine channels, and to say, "We are going to convert you from these to those," and thus suddenly wipe out that great investment, surely that would be about as great an amount of confiscation as one could ever see.

So on this assurance I shall withdraw the amendment now but I am going to watch this performance under the rule-making power. This will not be the last chapter that will be written in the field, unless I miss my guess, and we should get from the Commission some better estimate and better idea of how to handle this problem.

Mr. PASTORE. Mr. President, I assure the Senator from Illinois that he will find the Senator from Rhode Island by his side in watching this development with much jealousness. I shall not only remember this day as Flag Day, but as the Thursday before Father's Day in the year 1962. [Laughter.]

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 8031) was read the third time and passed.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. PASTORE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

LEAVE OF ABSENCE

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the distinguished Senator from Wisconsin [Mr. WILEY] be excused from attendance on the Senate on Friday of this week and Monday of next week. He will be unavoidably detained.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE BRETTON WOODS AGREEMENTS ACT

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1438, H.R. 10162.

The PRESIDING OFFICER (Mr. METCALF in the chair). The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 10162) to amend the Bretton Woods Agreements Act to authorize the United States to participate in loans to the International Monetary Fund to strengthen the international monetary system.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, I rise to explain briefly and to support the provisions of H.R. 10162, an amendment to the Bretton Woods Agreements Act. the bill before us authorizes United States participation in a special 10-nation plan to lend additional resources totaling $6 billion to the International Monetary Fund in the event they are needed. Such need would arise only if the Fund could not otherwise meet an approved withdrawal by one of the following 10 participating members of the Fund: Belgium, Canada, France, Germany, Italy, Japan, Netherlands, Sweden, the United Kingdom, and the United States.

Now, I shall not give a long and wearisome description of the complicated international monetary trends and factors which form the background of this legislative proposal.

I personally find it easier to gain such information from the available printed material on the subject than from listening to a speech—and I assume most of my colleagues feel the same way. Members of the Senate will find the committee report a succinct and complete summary. Should they wish highly detailed information, the Committee hearing record before them contains an exhaustive special report by the National Advisory Council on International Monetary and Financial Problems. Therefore, I shall use this occasion to emphasize certain highlights in the pending legislation.

The outstanding fact is that the United States would be the primary—though not the only—beneficiary of the 10-nation proposal which is at stake in acceptance of H.R. 10162. This point is related to the ability of member countries in balance-of-payments difficulties to exert their rights to make withdrawals from the International Monetary Fund; a member does not, of course, draw its own currency, but the convertible currencies of other nations, for the purpose of bolstering reserves and increasing confidence in its monetary position. The Fund at the beginning of this year held roughly $5 billion in U.S. dollars and in pounds sterling, which is certainly adequate to take care of any conceivable drawings by European countries. On the other hand, the Fund then had only about $1.6 billion in the convertible European currencies which this country would need should it wish to draw on the Fund. Against that figure of $1.6 billion, plus a considerably smaller amount of unemcumbered Fund gold, must be set almost certain access by the United States to about $2.7 billion in drawing rights, as well as the admittedly distant possibility of a U.S. request for its full quota of $4,125 million.

Acceptance of the 10-nation plan would make available to the Fund, through special borrowing arrangements, an additional $3 billion of the kinds of currencies which the United States would require if it sought to implement its drawing rights. It should be emphasized that this country does not anticipate that it will call on the Fund. However, even if the United States did not seek to exercise those rights, the very availability of such resources would discourage speculation against the dollar of the kind that took place in the winter of 1960–61.

A second and related point that should be stressed is that the European nations in the special scheme, who are also Common Market members, together will be making a larger contribution than either the United States or the United Kingdom. The greatly increased financial strength of the continental European countries has not as yet been adequately reflected in Fund operations. Thus, they will be making available sums almost equal to their current Fund quotas, while the United States and the United Kingdom shares would be about half the size of their quotas.

The next point is that it is highly unlikely that the United States will be called upon to contribute its $2 billion share in the foreseeable future. The Fund now holds about $2.5 billion of the existing U.S. quota, so that there will be adequate amounts of dollars for Fund operations short of a dramatic overall reversal in the current free-world monetary situation. In any case, no participant in the 10-nation scheme would be expected to make resources available under the plan so long as it is experiencing balance-of-payments difficulties. These safeguards against any actual involvement of U.S. funds are likely to prove controlling for at least the initial 4-year life of the agreement.

This issue has been somewhat obscured by the method of financing U.S. participation set forth in H.R. 10162. The bill authorizes an appropriation of $2 billion to remain available until expended. Now the puzzling fact is that the Treasury, when authorized to do so, will seek, not an actual appropriation, but another authorization—to use the public debt transaction route. In other words, this body will be asked to take essentially the same action twice.

Apparently the Appropriations Committee of the House has at last succeeded in making the Treasury Department groggy with its cries of back-door, side-door, financing. For here we have back-door financing through the front-door; not of the Treasury, by the way, but of the House—which has always been the real possessor of the entrances it invented for the supposed raiding parties.

Perhaps it will help clarify any confusion to reiterate the following points: First, no gold whatsoever is involved in U.S. adherence to the 10-nation plan; second, the no-year appropriation to be sought will actually be a request for borrowing authority which will not affect the current Federal budget; third, there is no likelihood that the resulting contingent obligation will become a real one so long as the United States is in balance-of-payments difficulties.

Why, then, must the United States take up a $2 billion share in the 10-nation plan if the commitment is so unlikely to involve actual expenditures? The first and most important reason is that the benefits of the plan will be confined to those nations which accept responsibility in terms of the loan schedule. Second, the other nine members would only participate on the basis of strict reciprocity; for we should remember that we are not the only country with a representative body which must justify its actions to the people. Finally, we had to make evident our readiness to assist the other participants should there be a substantial reversal in the international balance-of-payments situation at some time in the future.

The last point I want to raise is the relationship between this proposal and the Kennedy administration's overall campaign to remedy the U.S. payments deficit. The 10-nation plan neither intensifies that problem, on the one hand, nor by itself resolves it, on the other It is only one ingredient—although an extremely significant one—in the many-faceted general effort to overcome the basic payments deficit. Whether or not that general effort is, or will be, sufficient is not the matter at issue here. The question we must answer is whether we will give the U.S. Government one clear-cut means of implementing its program to defend the dollar. It would not make sense to criticize the administration for having too few arrows in its quiver, and then to deny it the use of one of them.

In this connection, I believe that the issue is seen in proper perspective in the following excerpt from a resolution adopted by the American Bankers Association last October:

> The Treasury and the officials of the IMF are to be commended on their efforts to find more acceptable ways to minimize pressures that result from large movements of short-term funds among world financial markets.
>
> Action along this line would be a very useful precautionary measure. A major contribution of the proposed IMF arrangement is that it would give to a country whose currency is under pressure additional time in which to make necessary adjustments in its balance-of-payments position. However, the proposal would not relieve any country, including the United States, of the need to avoid chronic deficits in its balance of payments.

Perhaps the best quick explanation of the U.S. interest and stake in the 10-nation plan was offered during the hearings by my committee colleague, the distinguished senior Senator from Indiana, in these words:

> The Treasury * * * is doing what I think I learned to do as a businessman.
>
> When I did not need the money, then is when I arranged to borrow it, and arranged for my credit, because I discovered a couple of times that I had waited too late because I really needed it and it was then awfully hard to get.

Mr. President, I will sum up by stating my conviction that this legislative proposal is one from which the United States has a great deal to gain, and one from which it is very difficult to see how this country has anything to lose. I strongly recommend that the Senate approve H.R. 10162.

Mr. President, if there are any questions about the measure which are not covered in the statement, I shall be glad to attempt to answer them.

Mr. DIRKSEN. Mr. President, at the outset there was some reservation, I